

25/12/1993

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FINANCIAL TIMES COMPANIES & MARKETS

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Thursday February 25 1993



INSIDE

VW management set for shake-up

Swapping changes in the top management of Volkswagen, Europe's biggest carmaker, are expected to be approved next month. Speculation on a shake-up revived when officials of the Lower Saxony government claimed Mr Ferdinand Piech, the new VW chairman, had antifed Mr Ignacio Lopez de Arrieta to quit his job at General Motors of the US. Page 14

Exchange rates limit Glaverbel

Glaverbel, the Belgian glassmaker, blamed "competitive devaluation" of European currencies for a slump in export sales during the second half of 1992. Net profits at the company edged up to BF7715m (\$21.4m). Page 14

Opening shots in phone war



A ferocious battle between two pairs of unlikely partners is unfolding in Canada's long-distance telephone market. Stentor, the Canadian telecommunications utilities consortium, has teamed up with MCI of Washington DC, while Canada's Unitel Communications has hopped into bed with American Telephone & Telegraph. Page 15

Nippon Housing Loan rescue off

The nine banks which back Nippon Housing Loan group, the Japanese financial institution worst hit by the property market collapse, failed to agree on a rescue for the company. Page 16

Hopeful caution in Cyprus

Cyprus
Cicco All-Share Index (Dec-83 to 1992)
280 + 20
270 + 17
260 + 17
250 + 17
240 + 17
230 Jun 1992 233
Source: Bank of Cyprus

Optimism underlies the cautious mood on the Cyprus over-the-counter stock market. Last week saw the narrow presidential victory of Mr Glafcos Clerides, backed by the Greek Cypriot business community which expects the unofficial stock market to have a more solid foundation soon. Back Page

Clinton commodity effect

Analysts have noticed a steady rise in several closely watched commodity indices since late summer, when it became apparent Mr Bill Clinton might clinch the presidency. However, since he took office, the indices have diverged. Page 20

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Chief price changes yesterday

FRANKFURT (DM)			
Flights	479	+ 20	
Aachen Arch	830	- 40	
BMW (B1)	485	- 13	
Boat	325	- 25	
Boats	440	- 14	
Mercedes (B1)	975	- 15	
Mercedes (B2)	920	- 20	
Mercedes (B3)	920	- 14	
Mercedes (B4)	920	- 14	
Mercedes (B5)	920	- 14	
Mercedes (B6)	920	- 14	
Mercedes (B7)	920	- 14	
Mercedes (B8)	920	- 14	
Mercedes (B9)	920	- 14	
Mercedes (B10)	920	- 14	
Mercedes (B11)	920	- 14	
Mercedes (B12)	920	- 14	
Mercedes (B13)	920	- 14	
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Mercedes (B115)	920	- 14	
Mercedes (B116)			

INTERNATIONAL COMPANIES AND FINANCE

Akzo posts 3% rise but warns on current periodBy Ronald van de Krol
in Arnhem

AKZO, the Dutch chemicals group, posted a 3 per cent rise in net profit before extraordinary items in 1992, but warned that the result for the current half-year may decline.

The downturn in Europe, where Akzo generates 70 per cent of its sales, is expected to outweigh the emerging recovery in the US, which accounts for 22 per cent of turnover. However, Mr Aarnout Loudon, chairman, did not make a forecast for the second-half result.

In 1992, net profit before extraordinary items increased to

Fl 712m (\$352m) from Fl 681m in 1991, in the face of stagnant economies in Europe and turmoil on the currency markets. Sales were steady at Fl 16.85bn, with the effects of adverse currency translations and divestments balanced by rises in prices and sales volumes and by acquisitions. Operating profit rose by 6 per cent to Fl 846m. Akzo had after-tax charges of Fl 66m in 1992, due in part to a pre-tax restructuring provision of nearly Fl 175m, but this was still lower than the 1991 net charge of Fl 111m.

As expected, Akzo said it would hold its dividend at Fl 6.50.

Three of Akzo's four main businesses were largely responsible for the rise in operating profit, with coatings recording

a 14 per cent increase, pharmaceuticals 5 per cent and chemicals 10 per cent, thanks in particular to specialty chemicals.

Mr Loudon said that the emphasis on cost controls would continue in 1993 and that Akzo saw productivity gains of 3 per cent.

Net profit including extraordinary rose by 11 per cent to Fl 846m. Akzo had after-tax charges of Fl 66m in 1992, due in part to a pre-tax restructuring provision of nearly Fl 175m, but this was still lower than the 1991 net charge of Fl 111m.

As expected, Akzo said it would hold its dividend at Fl 6.50.

Airtours avoids takeover inquiryBy Michael Skapinker,
Richard Gourley
and John Willman

MR MICHAEL Heseltine, the UK trade and industry secretary, yesterday dismissed the recommendation of Sir Bryan Carsberg, director-general of fair trading, that Airtours' proposed takeover of rival holiday company Owners Abroad be referred to the Monopolies and Mergers Commission.

Mr Heseltine said the competition issues raised were not sufficient to justify a reference.

Last Friday, he received a report from the Office of Fair Trading (OFT) saying the pro-

posed takeover warranted examination by the MMC.

It is the second time in two weeks that Mr Heseltine has overturned a recommendation from Sir Bryan. Earlier this month, he rejected advice that a merger of the infra-red defence components businesses of GEC and Philips Electronics be examined by the MMC.

Before that, the director-general's advice to refer a merger had been over-ridden only 11 times in 20 years.

If the Airtours takeover goes ahead it will have about 30 per cent of the UK package tour market, making it as large as Thomson, the biggest travel

company. Smaller tour operators and travel agents told the OFT the two large companies would be able to force them out of business.

Mr David Crossland, Airtours chairman, said: "We are delighted by this decision. We remain firmly of the view that the combination of Airtours and Owners Abroad will prove beneficial to both consumers and shareholders alike."

The all-share offer currently values Owners Abroad at 114p and its partial cash alternative at 105p, some way below the 129p level at which its shares closed yesterday, up 13p on the day.

Business TV planned for AsiaBy Raymond Snoddy
in London

AN INTERNATIONAL consortium is planning to launch Asia's first business news satellite channel later this year.

The backers of the channel include Tele-Communications, the largest cable operator in the US, and Television New Zealand, the national broadcaster which is owned by the New Zealand government.

The other shareholders are Singapore International Media and Business News Network of Hong Kong.

EBRD set to take 20% stake in Romanian bankBy Virginia Marsh
in Bucharest

THE EUROPEAN Bank for Reconstruction and Development is set to become the first western financial institution to take an equity stake in a Romanian commercial bank since the end of communist rule in 1989. It has agreed in principle to take a 20 per cent stake in the Ion Tiriac Bank.

The bank, the country's first post-communist private commercial bank, was founded in 1991 by Mr Ion Tiriac, the

Romanian-born former tennis player. Mr Tiriac and his companies own 25 per cent of the bank with the remainder held by more than 5,000 mainly local shareholders.

The bank has declared a provisional profit of 7.1bn lei (\$12m) for 1992 on turnover of 53.6bn lei. This represents a return of 238 per cent on the bank's paid-up capital of 3bn lei.

The bank intends to increase its capital with the EBRD expected to pay Ecu6m (\$7.17m) for a 20 per cent stake in the recapitalised bank.

His previous position at the bank was as director in charge of special projects.

New Issue

Closing
February 25, 1993**European Investment Bank****DM 500,000,000****6 1/2 % Bearer Bonds of 1993/1998**

Issue Price: 101.10 %
Interest Rate: 6 1/2% p.a., payable annually on February 25
Repayment: February 25, 1998, at par
Listing: München and Frankfurt/Main

Bayerische Hypotheken- und Wechsel-Bank
Aktiengesellschaft

Banca Commerciale Italiana

Deutsche Bank AG

DG BANK
Deutsche Genossenschaftsbank

Istituto Bancario San Paolo di Torino S.P.A.

Westdeutsche Landesbank Girozentrale

ABN AMRO Bank
(Deutschland) AG

Banco Bilbao Vizcaya, S.A.

Bank Brussel Lambert N.V.

Bank of Tokyo (Deutschland)
AktiengesellschaftBanque Paribas
(Deutschland) oHG

BHF-BANK

Caisse des Dépôts
et Consignations GmbH

CCF - CRT BANK

Daiwa Europe
(Deutschland) GmbHDeutsche Apotheker- und
Ärztebank eG DüsseldorfDeutsche Girozentrale
- Deutsche Kommunalbank -DSL Bank
Deutsche Siedlungs- und LandesrentenbankFuji Bank (Deutschland)
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Goldman, Sachs & Co. oHG

IMI BANK (Lux) S.A.

Lehman Brothers Bankhaus
Aktiengesellschaft

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Morgan Stanley GmbH

Nikko Bank
(Deutschland) GmbHNorddeutsche Landesbank
Girozentrale

Rabobank Deutschland AG

Salomon Brothers AG

Sanwa Bank
(Deutschland) AGSchweizerische Bankgesellschaft
(Deutschland) AGSchweizerischer Bankverein
(Deutschland) AGTrinkaus & Burkhardt
Kommanditgesellschaft auf AktienWestfalenbank
Aktiengesellschaft**VW set for management changes**By Christopher Parkes
in Frankfurt

SWEETING changes in the top management of Volkswagen, Europe's biggest carmaker, are expected to be approved at a meeting of the company's supervisory board next month.

Speculation about the outcome of the March 16 sitting revived yesterday when officials of the Lower Saxony government claimed that Mr Ferdinand Piëch, the new VW chairman, had enticed Mr Ignacio Lopez de Arriortua to quit his job at General Motors of the US.

Mr Lopez moved within GM from Europe to Detroit last year, taking with him a reputation as a hard-bargaining cost-cutter. He was recently promoted to vice-president and

group executive in charge of worldwide purchasing.

GM denied the reports. "He is not leaving. He is happy here and is staying here," the company said.

However, Mr Piëch has already had marked success in poaching key GM managers. Before he left his former job as head of Audi, he brought in Mr Niels Gehrhardt, former manager of Opel's car plant in Eisenach, as director responsible for production at the upmarket VW subsidiary.

Mr Erich Schnitt, another GM manager, was given a boardroom seat and responsibility for purchasing and finance.

Yesterday's reports that Mr Lopez was to join VW were given extra credibility by their origins. The Lower Saxony

government, with several seats on the supervisory board.

Other changes expected at the board meeting include the replacement of Mr Dieter Ullmer, finance director, and directors responsible for legal affairs and the environment. Mr Daniel Goosdevert, deputy to Mr Piëch and responsible for the Volkswagen brand, is expected to be given other day-to-day responsibilities.

Deteriorating conditions in VW's markets were underlined yesterday by the announcement that group sales worldwide fell more than 10 per cent in January.

Incoming orders were still unsatisfactory, the company said, and short-time working was likely to be continued into the second quarter of this year.

Jyske Bank in the red but holds payoutBy Hilary Barnes
in Copenhagen

JYSKE BANK, Denmark's fourth-ranking bank, is holding the annual dividend at 10 per cent after reporting a net loss of Dkr919m (\$14.16m) last year against a profit of Dkr47m in 1991.

Loss provisions increased to Dkr1.26bn from Dkr873m. A write-off of Dkr344m by a Gibraltar subsidiary contributed heavily to the provisions.

The second main item in the group's poor performance last year was a loss of Dkr25m on the adjustment for the value of the securities portfolio. In 1991, this item yielded a gain of Dkr58m.

The group slimmed the balance sheet by almost Dkr10bn to end the year at Dkr83.3bn. The slimming exercise was a factor helping to increase the group's capital adequacy ratio to 11.8 per cent from 11.6 per cent in 1991. The legal minimum last year was 10 per cent.

The loss per share last year was Dkr128m. The loss was equal to 34.4 per cent of shareholder's equity, which was reduced from Dkr3.4bn to Dkr2.6bn by the bank's audit. The group budgets for a profit on its ordinary activities of Dkr150m to Dkr200m in 1993.

French food retailer falls 10% to FF438m

By Alice Rawsthorn in Paris

CASINO, one of France's largest food retailing groups, yesterday announced a 10 per cent fall in net profits to FF438m (\$60.8m) in 1991 from FF476m in 1990.

Sales increased to FF61.5bn from FF40.63bn in 1991, largely due to the inclusion of the Rallye units. Operating profits rose to FF1.32bn from FF775m last time with pre-tax profits increasing to FF846m from FF646m in 1991.

The group, which last year acquired the supermarket interests of Rallye, another large French retailer, attributed the decline in net profits (which have been restored for 1991 to allow for the Rallye deal) to a reduction in exceptional gains. It registered an

exceptional loss of FF113m last year, against an exceptional profit of FF145m in 1991.

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Casino, like other French retailers, has also been affected by weak economic conditions. Consumer spending was static in France last year.

Chargeurs in TV investment

CHARGEURS, the French textile and media group, is

expanding its satellite broadcasting interests by investing FF200m (\$30.8m) in CanalSatellite, the satellite channel launched last autumn by the Canal Plus television group, writes Alice Rawsthorn.

The investment from Chargeurs, which is already involved with the BSkyB direct broadcast satellite channel in the UK, forms part of a FF300m capital increase for CanalSatellite.

Canal Plus has launched CanalSatellite as a move into other areas of television.

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INTERNATIONAL COMPANIES AND FINANCE

Dell share price slides as equity offer is dropped

By Martin Dickson
in New York

SHARES in Dell Computer, the fast-growing US personal computer manufacturer, plunged by almost 15 per cent yesterday morning when the company announced it had withdrawn a planned share offering due to "unfavourable market conditions".

The offering of 4m shares had originally been timed for last December but was then delayed until early March following controversy over the company's reporting of trading in foreign exchange.

Investors nervous at this fresh blow to the company's public relations image sent Dell's shares down \$5 to \$30 in morning trading on the Nasdaq over-the-counter market yesterday.

Mr Tom Meredith, Dell's chief financial officer, argued that "with interest rates where they are and with currently low price/earnings multiples for technology stocks, we can do better for our shareholders by accessing other sources of capital". He added: "We have a strong financial position that allows us to take our time and

pick the method for funding our growth that best fits our needs."

Dell, a pioneer in the direct selling of computers over the telephone, is one of the fastest-growing companies in the intensely competitive US personal computer market.

The company predicted yesterday that its revenue growth in the fiscal year to next January would exceed 70 per cent and make Dell a \$1.4bn to \$2.7bn turnover household.

The company's results were distorted by an after-tax charge of \$124.7m to reorganise its Dynapert business and to reduce manufacturing overcapacity in consumer and commercial businesses, mainly in Europe.

Black & Decker's balance sheet was also muddied by the adoption of new accounting standards.

Including one-time items, the company suffered a fourth-quarter net loss of \$122.8m, or \$1.51 a share, against net income of \$31.9m, or 47 cents.

Stripping special items, Black & Decker said it earned 34 cents a share in the latest quarter. Revenues in the three months to December 31 rose 3 per cent to \$1.38bn from \$1.35bn.

On Wall Street, Black & Decker stock edged 5% lower to \$17.25 before the close.

The shares were trading at around \$20 in September, before the company warned investors of disappointing third-quarter earnings.

At that time, the company blamed its unsatisfactory outlook on deteriorating European economies.

Looking to the future, Mr Nolan Archibald, chairman and chief executive, said: "With expectations for continued economic weakness in Europe and sluggish recovery in the US, we cannot rely on strengthening market conditions to improve our financial results."

For the full year, Black & Decker recorded a net deficit of \$345.2m, or \$4.52 a share, compared with net income of \$49.9m, or 81 cents in 1991. Revenues rose to \$4.78bn from \$4.64bn.

Excluding special items and accounting changes, the company said net income rose 25 per cent in 1992 to \$66.4m, the company said.

Earnings per share fell to 72 cents from 81 cents, reflecting an increase in shares outstanding.

Operating loss posted by Black & Decker

By Karen Zagor in New York

BLACK & Decker, the US household equipment maker, yesterday posted a fourth-quarter operating loss of \$22.2m, partly reflecting continuing pressure on profits in European markets.

A year earlier, the company had operating income of \$124m during the quarter.

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Unlikely allies fight Canada's telephone war

Upheavals in the market will be increased by the battle's ferocity, writes Bernard Simon

A FEROCIOUS battle between two pairs of unlikely partners is unfolding in Canada's long-distance telephone market. In one corner is an alliance between Stentor, the consortium of stuffy Canadian utilities which for years held a monopoly on domestic trunk services, and MCI, the Washington-based company which, in less than a decade, has captured 17 per cent of the US long-distance market.

The nearest thing to MCI in Canada is Unitel Communications. Unitel had its origins more than a century ago as a telegraph service for Canadian Pacific and Canadian National railways, but last year gained regulatory approval to break Stentor's grip on long-distance phone calls.

Regulatory barriers are crumbling in Canada. A ruling by the Canadian Radio-television and Telecommunications Commission (CRTC) cleared the way for Unitel to start offering long-distance service last November in competition with the Stentor consortium.

Unitel, which claims to undercut Stentor charges by an average of 15 per cent, says it has signed up 65,000 residential customers and "several thousand" business subscribers, mostly in Toronto, Montreal and Vancouver. Although this is a minuscule share of the total market, Unitel is extending its services to more cities, and claims to be well ahead of its projections. Meanwhile, resellers, who lease lines in

munications minister, is confident the rivalry will stimulate what he calls "our premier high-tech industry".

The cross-border partnerships are also likely to lead to closer integration of telephone services between the two countries.

Both sets of partners plan to create "seamless" data and voice networks across the border. "Whether you're communicating with your affiliate in Canada or the US, it will look identical," says Mr Richard Stursberg, Unitel's senior vice-president for government affairs. "You'll have a single set of products, a single point of ordering for services and a single bill."

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hulk from the telephone companies and then provide discount services to users have garnered a surprisingly high 6.5 per cent market share since the CRTC opened the market to them in 1990.

To compensate customers for the rate increase, Bell has offered to expand the local calling area in cities such as Toronto and Montreal. Unitel is rumoured to be one of the resellers that will soon link up with GTE Sprint, the third-highest US long-distance carrier.

The Stentor consortium is not taking the challenge lightly. Unitel subscribers require a 17-digit code to connect from the local network (owned by the Stentor members) to Unitel's long-distance lines.

An abortive court challenge by Stentor against the CRTC decision has delayed by six to seven months Unitel's plans to offer direct access to the long-distance switches.

In other areas of their business, Stentor's members are

pressing for faster deregulation. Mr Bob Kearney, chief executive of Bell Canada, which is the most powerful member in the Stentor consortium, says a phone company should be allowed to carry whatever signals its customers want. "If the local video store wants us to carry its videos over the telephone line, why not?"

Unitel suspects an ulterior motive for the phone companies' conversion to the free market. "They think they can crush the competition before it gets out of the gate," says Mr Stursberg. Unitel has criticised Bell Canada's request for the first increase in basic local-service charges in a decade.

To compensate customers for the rate increase, Bell has offered to expand the local calling area in cities such as Toronto and Montreal. Unitel is rumoured to be one of the resellers that will soon link up with GTE Sprint, the third-highest US long-distance carrier.

As an example of what AT&T can provide, Mr Stursberg cites sophisticated toll-free services which automatically route a call to the closest office from the point where the call originates, or roll over calls to offices in different time zones.

AT&T's stake in Unitel is limited by law to 20 per cent. But an indication of its influence is the recent appointment of senior AT&T managers to the top network, operations and marketing jobs at Unitel.

Cyanamid to spin off \$1bn chemicals arm

By Karen Zagor

AMERICAN Cyanamid, the US pharmaceuticals and chemicals company, is to spin off its \$1bn chemicals business to shareholders later this year.

The company had announced a restructuring of its chemical operations as far back as December 1991, and a spin-off was widely expected. The announcement, however, came earlier than anticipated.

Cyanamid has steadily distanced itself from its chemical operations over the past two years.

It has already sold eight chemicals businesses and last year its remaining chemical operations were set up as a separate unit, with its own headquarters, under the Cytel Industries name.

Cyanamid's chemicals business had 1992 operating earnings of \$34m, up 6 per cent from 1991, while sales slid 8 per

cent to \$1.05bn. In contrast, the company's medical group saw sales rise 10 per cent in the year to \$2.89bn although operating earnings rose a more moderate 3 per cent to \$35m.

The decision to move away from chemicals to concentrate on higher-margin drugs and life sciences operations was widely applauded in 1991, at a time when many pharmaceuticals companies saw earnings growth in the 20 per cent range.

In recent months, however, Cyanamid's stock price has fallen, along with other pharmaceutical company issues, amid concern that the Clinton administration's criticism of high drug prices will translate into slower earnings growth.

The spin-off, which is subject to regulatory approval, is expected to be completed towards the end of the year. Terms were not disclosed.

World chip market 'to grow 17%

Mexican cement group 13% ahead

By Damian Fraser
in Mexico City

CEMENTOS Mexicanos, the world's fourth-largest cement company, lifted net profits to 1.725m new pesos (\$548m) last year, a real increase of 13 per cent over 1991.

The rise shows Cementex has weathered the slowdown in the Mexican economy. Domestic cement sales rose by 7 per cent last year, with an increase of 12 per cent in the fourth quarter.

Mr Lorenzo Zambrano, chief executive, said: "Cemex has continued to grow and to upgrade operations despite the modest economic deceleration in Mexico."

"Domestic demand for cement showed a significant increase during the second half of the year. We believe this is an indication that the sector has begun to recover from the slowdown during the first half of the year."

Cemex's operating profits reached 1,689m new pesos, 16 per cent more in real terms than 1991.

Cemex's \$1.8bn purchase of the Spanish cement companies, Sancor and Valenciana, late last year hardly affected the results. The higher interest on the debt taken on by Cemex was largely offset by the Spanish companies' earnings of \$8.5m in the last quarter.

The Spanish companies' margins were 7 per cent, compared with 25 per cent in Mexico.

Mr William MacLean, chairman of the bondholders' committee, said the move followed the rejection on January 15 of Olympia & York Development's financial restructuring plan by its creditors.

O&Y went into bankruptcy protection last May. Since the rejection of its restructuring

Construction slump hits St Lawrence

By Robert Gibbons
in Montreal

THE LONG recession and slump in major construction activity in eastern Canada and the north-east US deepened losses at St Lawrence Cement, the Swiss Holdco's Canadian arm, in 1992.

Fourth-quarter loss深ened to C\$18.2m (US\$14.2m), or 43 cents a share, against a loss of C\$65.000, or 2 cents a share, a year earlier. Sales at C\$136m were little changed.

The year's loss was C\$39.9m, or 94 cents, against a loss of C\$5.7m, or 14 cents, in 1991.

Sales dipped 7.5 per cent to C\$467m. The results include a C\$13m restructuring provision.

St Lawrence said it did not see any resumption of growth in construction for several years.

Foreclosure begun on Reichmann empire

By Robert Gibbons

THE dismantling of the Reichmanns' Canadian property empire is moving ahead.

The bondholders of First Canadian Place, the Reichmanns' former flagship property in Toronto, have begun foreclosure proceedings.

ANNOUNCEMENT

REPUBLIC OF TURKEY PRIME MINISTRY PUBLIC PARTICIPATION ADMINISTRATION

The Republic of Turkey, Prime Ministry Public Participation Administration (PPA) offers for block sale separately the shares of the following companies:

SHARE CAPITAL OF THE COMPANY (TL)	PERCENTAGE OF SHARES SUBJECT FOR SALE	MINIMUM OFFER VALUE (US \$)
ADITAMAN CIMENTO SANAYII T.A.S.	100.00 %	57,000,000
ASKALE CIMENTO SANAYII T.A.S.	100.00 %	30,000,000
BARTIN CIMENTO SANAYII T.A.S.	99.78 %	17,000,000
LADIK CIMENTO SANAYII T.A.S.	100.00 %	57,000,000
SANLIURFA CIMENTO SANAYII T.A.S.	100.00 %	57,000,000

- Information memoranda and specifications relating to the sales of the above companies can be obtained from the Public Participation Administration.
- The tender offer shall be made in a sealed envelope and submitted to the below stated address.
- The tender offer and an irrevocable unconditional bank letter of guarantee in US Dollar terms with an unlimited maturity period, amounting to at least 6% of the minimum offer value as stated above must be submitted to PPA Office (Hüseyin Rahmi Gürpınar Sokak No: 2 Çankaya, 06680 ANKARA-TURKEY) no later than March 29, 1993 Monday by 6.00 PM Turkish mean time.
- The tender offer shall be made in a sealed envelope on which the name of the company whose shares are subject to sale and the indication of "CONFIDENTIAL" should also be stated.
- The Republic of Turkey, Prime Ministry Public Participation Administration is not subject to the State Tender Law No: 2886 and reserves the right to decide whether or not to sell the shares and to extend the deadline of the tender, if deemed necessary.
- The sale of the shares to real persons and the legal entities domiciled abroad is subject to the existing laws and regulations of foreign capital, copies of which are obtainable from the Undersecretariat of Treasury and Foreign Trade, General Directorate of Foreign Investment.

K O İ
REPUBLIC OF TURKEY
PRIME MINISTRY
PUBLIC PARTICIPATION
ADMINISTRATION

Hüseyin Rahmi Gürpınar Sok. No: 2, Çankaya, 06680, ANKARA-TURKEY Tel: (0312) 439 99 16-439 441 15 Fax: (0312) 439 84 77

POLISH DEVELOPMENT BANK
POLSKI BANK ROZWOJU S.A.
NOTICE OF MEETING
The Board of Directors
of the Polish Development Bank
in Warsaw
pursuant to articles 390 and 393 of the Polish Commercial Code
and paragraph 27 of the Charter of the Polish Development Bank,
Joint-stock Company,
advises that the
Annual General Assembly of Shareholders
will be held
on 31st March, 1993
at 10.00 am
at the offices of the Bank in the IPC Building,
54 Koszykowa Street, Warsaw.
The agenda of the Assembly is as follows:
1/Opening,
2/Election of a Chairman of the Annual General Assembly of Shareholders,
3/Confirmation, as required under the Commercial Code, that the Annual General Assembly of Shareholders has been called in

INTERNATIONAL COMPANIES AND FINANCE

Profits are revised down at Siam Cement

By Victor Mallet in Bangkok

SIAM Cement, the largest cement producer in Thailand, yesterday disclosed that its muted net profit in 1992 was substantially lower than the unadjusted profit figure announced last month.

The audited, unaudited figures showed net profit of Bt3.56bn (\$142m), more than Bt400m below the previously announced sum of Bt3.98bn, and also below the Bt3.89bn made in 1991.

The discrepancy is largely due to higher operating expenses. According to Siam Cement's audited statement, operating costs were Bt1.38bn in 1992, higher than the unaudited figure of Bt1.28bn.

A Siam Cement official told Reuters that the revision of costs was partly related to investment in its new Kha Wong plant, one of the world's largest cement factories; it cost nearly Bt10bn and has a capacity of 3.6m tonnes a year.

Investors were disappointed with Siam Cement's 1992 performance even before yesterday's announcement. Yesterday, the shares closed unchanged at Bt468 in a rising market.

The cement shortages which characterised the Thai construction boom of the late 1980s have given way to overcapacity in the industry, with newcomer TPI Polson investing heavily in new plants.

Demand for cement in Thailand is now estimated to be growing at a modest 4 to 5 per cent a year, after 10 per cent only a year ago, but is likely to be boosted by numerous projects to improve transport and other infrastructure, including the construction of a new Bangkok airport, in the years ahead.

Siam Cement's unconsolidated sales in 1992 slipped to Bt33.36bn from Bt33.80bn in 1991.

The company also declared an unchanged final dividend yesterday of Bt9 a share, making a maintained total of Bt18 for the year.

Banks fail to agree terms for Nippon Housing rescue

By Charles Leadbeater in Tokyo

NINE banks which back the Nippon Housing Loan group, the Japanese financial institution which has been worst hit by the implosion of the property market, yesterday failed to agree on a rescue package for the group.

The future of the group, thought to have bad loans worth more than half its outstanding loan book of Y2.200bn (\$18.9bn), is the most sensitive issue facing the troubled Japanese banking industry.

Nippon Housing Loan, which aggressively expanded its property lending in the 1980s, has become a test case for whether the commercial banks can find a co-operative, private sector solution to the bad loans afflicting Japan's banking system.

The rescue talks have been orchestrated by the Bank of Japan and the Ministry of Finance. As yet, the government has insisted it will not fund a rescue package. However, if the banks which are the main lenders to Nippon Housing cannot agree a rescue plan, pressure for government intervention will grow.

The nine commercial banks, which include Sanwa Bank and Sakura Bank, set up Nippon Housing Loan in 1971 to lend to home buyers and property developers. Agricultural banks, led by Nordinchukin, later became large lenders to Nippon Housing.

The banks yesterday rejected a restructuring plan presented by the company, which called for all fixed loans to be made at the short-term prime rate of about 4 per cent. The banks

were also asked to forego interest payments on outstanding loans for the next 10 years.

About 30 per cent of Nippon Housing's finance is provided by the commercial banks.

Nippon Housing is estimated to need about Y60bn in fresh loans by the end of March 1994 to help it to reimburse maturing mortgage securities, which it marketed aggressively in the late 1980s. The outstanding securities are worth about \$1.5bn.

Nippon Housing asked the agricultural banks to cut their interest rates on loans to 4.5 per cent and other institutions to 2.5 per cent.

The financial authorities are likely to encourage the banks involved to resume the talks as soon as possible to avoid risking triggering a crisis of confidence in the bank.

Pioneer's half-term profits fall to A\$71.5m

By Kevin Brown

PIONEER International, the Australian building products and petroleum group, yesterday announced a 20 per cent fall in interim net profit to A\$71.5m (US\$49m), and warned that full-year profit was likely to fall sharply.

Mr Rodney Price, chief executive, said the result for the six months to the end of December was "quite commendable" in the light of tough trading conditions in Australia, the UK and Spain.

Mr Price said the "subdued" outlook for the second half indicated that profit for the full year would fall well short of the record level of A\$177.8m in 1991-92.

However, the board maintained the interim dividend at 7.5 cents, franked to 36 per cent, and indicated that the longstanding policy of maintaining dividend payments would continue. Operating revenue was steady at A\$2.6bn.

Pioneer said pre-tax profit from its building materials businesses fell by 31 per cent to A\$62.5m. Building materials profit in Australia fell by 20 per cent to A\$47m.

Pioneer sold pre-tax profit from its cable and wire business by 25 per cent with Cable & Wireless, the UK, BellSouth of the US, the AMP Society, National Mutual and other Australian financial institutions.

Mr Bill Bytheway, managing director, said a proposed flotation of Optus would probably not take place until the second half of 1994 because of forecast delays in a proposed bellot of telephone users.

Mayne shares closed 22 cents lower at A\$6.97 on the Australian Stock Exchange.

The board said it had capitalised an interest cost of A\$7.7m because of the nature of the investment. It said "solid progress" had been made by Optus, and the investment would generate strong future returns.

Mayne holds a 25 per cent stake of Optus, a joint venture with Cable & Wireless of the UK, BellSouth of the US, the AMP Society, National Mutual and other Australian financial institutions.

Pioneer said Ampol, its wholly-owned petroleum subsidiary, suffered a 19 per cent fall in profit to A\$88m. Higher sales were offset by poor refining margins and renewed retail petrol discounting.

The group said it would retain a A\$43m investment in Westpac, the Australian bank, which hit the group's share price after it was revealed last year. Pioneer said it stood to make a profit of A\$10m on the investment at current share prices.

Pioneer's shares fell 9 cents on the Australian Stock Exchange to A\$2.36.

Packer hires a 'deal maker' to lead new ConsPress expansion

By Kevin Brown in Sydney

MR KERRY PACKER, the Australian industrialist and publisher, yesterday announced the appointment of Mr Brian Powers to replace Mr Al Dunlap as managing director of Consolidated Press Holdings (ConsPress).

Mr Packer, the sole shareholder in ConsPress, said Mr Powers would lead the company through "a period of growth and development". The announcement fuelled speculation that Mr Packer is planning a substantial acquisition.

ConsPress recently acquired a 10 per cent stake in Westpac, the troubled Australian bank, and is rumoured to be considering a bid for MGM Pathé Communications, the US film studio.

Mr Powers, 43, is a partner in Hollman and Friedman, the US investment bank, and a director of John Fairfax, the Australian newspaper group controlled by Mr Conrad Black's Daily Telegraph group.

His appointment follows the resignation of Mr Dunlap, who returned to the US last week after completing two years of a five-year contract, during which he disposed of most of the group's non-core businesses.

Mr Dunlap, who earned the sobriquet "chainaw" for his zeal in cutting operating costs, is believed to have left ConsPress recently.

Mr Powers, who was closely involved in the acquisition of the Fairfax group by a consortium led by Mr Black, is regarded by analysts as a deal maker whose style may be more in line with Mr Packer's renewed interest in expansion.

Mitsukoshi in red as retail sales plummet

By Charles Leadbeater

MITSUKOSHI, Japan's most prestigious retailer, yesterday underlined the severity of the downturn in consumer spending in Japan by announcing it would make a pre-tax loss of Y2.5bn (\$21.5m) in the year to February.

Mitsukoshi has been hit by rising costs from its heavy investment programme in the late 1980s and a slump in demand for luxury goods.

The company, which made a Y10.9bn pre-tax profit last year, had estimated it would make a Y1.8bn profit this year. But the sharp downturn in consumer spending in the second half, which continues unabated, has forced a further downward revision in profits.

The company will make an after-tax profit, but only by selling assets. After-tax profits are expected to fall by about 70 per cent to Y1.5bn.

Takashimaya, another leading department store, also recently lowered its profit forecast for the year. More retailers are expected in the next few weeks to announce profits sharply lower than expected last year.

● Suntry, the leading liquor manufacturer, reported an 11.3 per cent drop in pre-tax profits in the year to December. The company's sales were 5.2 per cent down at Y783m.

● Pilot, the pen and office equipment manufacturer, backed the trend of recent results by announcing a 23.3 per cent increase in pre-tax profits to Y418m in 1992.

● Canon, the camera and office equipment maker, yesterday reported a 31 per cent fall in consolidated pre-tax profits to Y101.83bn for 1992.

Sales edged up by 2.4 per cent to Y1.910bn from Y1.870bn, held back by the appreciation of the yen, while earnings per share fell 29 per cent to Y48.82. Canon said its markets in south east Asia and China grew further in 1992 and those the US economy crept back in the second half.

The dividend, however, was increased by 6 per cent to 56 cents from 53 cents a share.

Mayne Nickless holds steady

By Kevin Brown

MAYNE Nickless, the Australian transport, security, medical and communications group, yesterday blamed subdued international trading conditions for a 0.2 per cent increase in net profit to A\$42.5m (US\$33.4m) for the six months to January 3.

The group said the result was "steady" and in line with forecasts in the annual report. But the interim dividend was reduced to 15 cents, franked to 30 per cent, from 17.5 cents, franked to 35 per cent.

Mayne said earnings before interest and tax increased by 14.5 per cent to A\$85.6m. The improvement reflected better results from the transport and

healthcare divisions following extensive rationalisation.

The board said revenue improved by 11.1 per cent to A\$1.4bn, reflecting the acquisition of the Centropa Group of companies in Europe, the John Fawkner Hospital in Melbourne and Interlink in the UK.

It said revenues were maintained in most operating divisions in spite of difficult trading conditions, confirming the underlying strength of the group's diversified operations.

Mayne reported an equity-accounted loss of A\$12.3m on Optus, the telecommunications group established to compete with Australia's government-owned carrier.

The board said it had capitalised

an interest cost of A\$7.7m because of the nature of the investment. It said "solid progress" had been made by Optus, and the investment would generate strong future returns.

Mayne holds a 25 per cent stake of Optus, a joint venture with Cable & Wireless of the UK, BellSouth of the US, the AMP Society, National Mutual and other Australian financial institutions.

Pioneer said Ampol, its wholly-owned petroleum subsidiary, suffered a 19 per cent fall in profit to A\$88m. Higher sales were offset by poor refining margins and renewed retail petrol discounting.

The group said it would retain a A\$43m investment in Westpac, the Australian bank, which hit the group's share price after it was revealed last year. Pioneer said it stood to make a profit of A\$10m on the investment at current share prices.

Pioneer's shares fell 9 cents on the Australian Stock Exchange to A\$2.36.

Hong Kong and China Gas ahead 20%

By Simon Davies

HONG KONG and China Gas, Hong Kong's monopoly gas supplier controlled by the Lee family's Henderson Investment, yesterday announced a 20 per cent increase in net profit to HK\$936m (US\$121m) for the year.

The company also declared an unchanged final dividend of Bt9 a share, making a maintained total of Bt18 for the year.

In 1992, up from HK\$779m in the previous year.

Earnings were boosted by 12 per cent growth in Tongwangs sales. The results were in line with expectations, but the share price reacted favourably to the announcement of a one-for-five bonus share issue.

There was a 7 per cent

increase in gas tariffs from the start of 1993, and Mr Lee Shan

Chai, chairman, predicted an increase of 70,000 customers during the year and double-digit sales growth.

The company's enlargement of its Tai Po plant will double capacity to more than 11m cubic metres.

Mayne shares closed 22 cents lower at A\$6.97 on the Australian Stock Exchange.

PUTNAM HIGH INCOME GNMA FUND S.A.

SICAV
Luxembourg, 11, rue Aldringen
R.C. Luxembourg N° 8 22041

Notice of Meeting

Notice is hereby given that the Annual General Meeting of Shareholders will be held at the registered office of the Company on March 10, 1993 at 11.00 a.m. with the following agenda:

Agenda

1. Presentation of the reports of the Board of Directors and of the Auditor.
 2. Approval of the balance sheet and profit and loss account as of November 30, 1992.
 3. Discharge of the Directors for the fiscal period ended November 30, 1992.
 4. Action on nomination for election of Directors for the ensuing year.
- As Directors: The Hon. J. Lucy
James R. Swinney
Takao Watanabe
John R. Verani
Dantes Wigry

5. To recommend to the Annual General Meeting the approval of the declaration of a dividend of U.S. Dollar .36 per share. If approved, the dividend will be paid on March 25, 1993 to shareholders on record March 10, 1993, ex-dividend on March 10, 1993.

6. Any other business which may be properly brought before the meeting.

The shareholders are advised that no quorum is required for the items of the agenda and that the decisions will be taken at the simple majority of the shares present or represented at the Meeting. Each share is entitled to one vote. A shareholder may act at any Meeting by proxy.

By order of the Board of Directors

INTERFINANCE CRÉDIT NATIONAL N.V.

US\$100,000,000

Guaranteed floating rate undated unsecured

subordinated non-cumulative

capital notes

In accordance with the terms and conditions of the notes, the rate of interest for the period 25 February 1993 to 25 August 1993 has been fixed at 5.321800218% per annum.

Interest payable on 25 August 1993 will be US\$29,271.12 on each US\$1,000,000 principal amount of the notes.

Agent: Morgan Guaranty Trust Company

JPMorgan

US\$ 100,000,000

SKOPBANK

Floating Rate Notes due 1994

Interest Rate 3.45313 % p.a.

Interest Period February 28, 1993

May 24, 1993

Interest Amount due on

May 24, 1993 per

US\$ 1,000 US\$ 6.68

US\$ 10,000 US\$ 66.33

Bank: BANQUE GENERALE DU LUXEMBOURG

Agent Bank

McKellenberg Investment and

Finance Company Limited

INTERNATIONAL CAPITAL MARKETS

Currency movements supply focus as trade slows

By Tracy Corrigan in London
and Karen Zagor in New York

FOREIGN exchange movements continued to provide a focus for activity in the bond markets, but the pace of activity slowed slightly as investors and dealers yesterday paused to examine the sharp recent

GOVERNMENT BONDS

movements in currency and bond rates, and in some cases decided to reassess recent shifts.

GERMAN bond prices retraced some of the gains they made earlier in the week, but dealers said the declines appeared to represent a temporary correction rather than a shift in sentiment.

Prices shed 40 per cent for the latest provisional inflation data for February from several German regions showed less of a slowdown than dealers had hoped, prompting worries that any further cuts in interest rates could be delayed.

THE JAPANESE market continued to forge ahead, buoyed by the strength of the yen. Comments by Mr Tomisiro Hayashi, the Japanese finance minister, that another discount rate cut could not be ruled out helped spur enthusiasm for the market.

The 10-year No 145 benchmark was yielding just 3.79 per cent when the Japanese market closed yesterday, down from 3.83 per cent at Tuesday's close.

However, analysts warned that most of the good news was already in the market and foreign investors might start taking profits following the rally in both the Japanese bond and currency markets. For the moment, the market is being supported by Japanese domestic investors, who are still loath to buy Japanese equity or property.

THE weakness of sterling yesterday undermined the gilt market, which had been in a fairly bullish mood. The March gilt futures contract at the London International Financial Futures & Options Exchange ended at 103.4.

US TREASURY prices settled into a narrowly mixed range yesterday morning as the market took a rest after five record-setting days.

In spite of declining prices, the yield of the Treasury's benchmark 30-year bond

FT FIXED INTEREST INDICES

Feb 24 Feb 23 Feb 22 Feb 19 Feb 18 Year High * Low *

Bond Indices 94.65 95.54 95.57 95.32 95.11 95.55 95.57 95.11

Fixed Interest 112.50 112.41 112.25 112.05 111.83 101.49 112.50 101.49

Rate 100 Government Securities 12/10/93 Fixed Interest 1928

Rate 100 Government Securities Not since compilation, 12/10/92, low 48.18 (3/17/93)

Fixed interest high since compilation, 1/19 95 (24/2/93), low 50.50 (31/7/93)

* For 1992/93 Government Securities Not since compilation, 12/10/92, low 48.18 (3/17/93)

** See activity indices released 1974

down from 103.8 at Tuesday's close.

The Bank of England announced that it had finally finished selling two tranches of gilts totalling £1.35bn, announced on February 16. The slow sales of the issue did little to reassure traders.

While the currency remains chronically weak, foreign investors are unlikely to help absorb future gilt issues.

THE Federal Reserve arranged a \$2.5bn in customer repurchase agreements when Fed funds, the rate at which banks lend to each other, were trading at 241 per cent.

The open market intervention, which adds funds to the banking system, was expected to counter a seasonal drop in vault cash - cash held by banks to satisfy reserve requirements. There was no policy meaning associated with the action. The Fed's perceived target for the rate remains 3 per cent.

However, dealers said that the prevailing mood remained very nervous.

BENCHMARK GOVERNMENT BONDS

Feb Coupon Date Price Change Yield %age

AUSTRALIA 10.000 10/02 112.5111 +1.068 6.00 6.42 0.77

BELGIUM 9.000 03/03 109.7450 -0.255 1.59 7.78 7.85

CANADA 7.250 06/03 98.8500 -0.255 7.41 7.70 8.03

DENMARK 8.000 05/03 95.5500 -0.250 8.67 8.72 8.64

FRANCE BTAN 8.500 05/02 102.4163 -0.103 7.77 7.82 7.82

OAT 8.500 11/02 100.1800 -0.160 7.57 7.77 7.88

GERMANY 8.000 07/02 107.6400 -0.350 6.87 6.97 7.18

ITALY 12.000 05/02 95.8500 +0.060 13.161 15.00 13.23

JAPAN No 119 4.800 06/03 105.2065 +0.375 3.70 3.98 4.21

No 145 5.800 06/03 111.3500 +0.318 3.81 4.17 4.35

NETHERLANDS 8.250 06/03 101.3100 -0.080 6.72 8.84 7.17

SPAIN 10.800 06/03 91.3000 -1.100 11.87 11.52 11.82

UK GILTS T250 03/08 105.20 - - 6.95 7.75 7.15

T275 03/08 105.20 - - 6.95 7.75 7.15

T300 03/08 105.20 - - 6.95 7.75 7.15

US TREASURY 6.250 02/03 100.26 - - 6.14 6.22 6.46

7.125 02/03 105.15 +0.032 6.88 7.12 7.26

ECU (French Govt) 6.500 03/02 103.8500 -0.370 7.59 8.00 8.07

London closing, * denotes New York morning session. Yields: Local market standard. 1 Gross annual yield (including withholding tax at 12.5 per cent by non-resident). b Yield. UK in 2nd, others as decimal.

Technical Data/ATLAS Price Sources

Japanese groups face higher cost of raising funds

of debts or shore up reserves. Kleinwort Benson in Tokyo, calculated that about Y24bn, or 3.6 per cent of pre-tax profits of industrial companies for the current financial year to March, will be absorbed by increases in interest costs and refinancing fees.

However, some Japanese companies are once again dipping into equity-linked financing to raise funds. In the last quarter of 1992, Japanese war-

rent bond issues reached \$5.5bn, the most active period since the middle of 1991, according to IFR Securities Data.

The companies' approach has outraged some institutional investors. Critics claim that to help sell warrant bonds, underlying share prices are being artificially lowered before the terms on the warrants are fixed, bringing down the strike price.

Mr Kota Nakako, a senior analyst at Quick Research Institute, says that if market forces were really at work, no company would be able to issue equity-linked bonds. "It's back to the old Japanese ways where everyone is supporting the scheme and making it work," he says.

Indeed, the Bank of Japan warns that, in the long run, equity financing may not be as cheap as it looks at the moment. In a recent report, the bank says that the dilution of earnings per share due to equity-linked financing will lead to an eventual fall in share prices, thus reducing the scope for further equity-linked financing. However, this is a lesson some Japanese companies may not want to learn.

EC and National Bank of Hungary raise DM3.9bn

By Antonio Sherpa in London
and Nicholas Denton in Budapest

THE European Community and the National Bank of Hungary between them raised a total of DM3.9bn in the international bond market yesterday.

The rapid placement of both seven-year issues reflected the strong demand for D-Mark-denominated paper and fanned expectations that more borrowers would tap this sector in the near-term.

The Kingdom of Belgium is studying proposals from various banks for a planned DM600m offering with a maturity of seven or 10 years, and is expected to make a decision by the beginning of next week.

Dresdner Bank, lead-manager of the EC's DM2.9bn offering, said that demand across the board allowed the bonds to be priced to yield 8 basis points above the 7 1/4 per cent bond due January 2000, at the lower end of the indicated range of 8 to 10 basis points.

He added that German insti-

tutions had also shown interest in the EC bonds despite their lack of yield pick-up over domestic bonds. He said they were attracted by the high quality of the borrower and by Dresden's promise to ensure liquidity in the bonds by quoting a bid-offer spread in the

market.

Hungary's DM1bn issue carried a yield spread of 265 basis points above the same underlying bonds as in the EC's issue. An official at the lead-managing bank, Deutsche Bank, said the bonds were mainly placed in the German retail market. After the syndicate broke, the bonds were quoted around 99.05, inside fees.

The offering, Hungary's largest ever in the international bond market, is part of the country's programme to bor-

row \$1.5bn to \$2.0bn abroad in 1993 to help service a foreign debt of \$1.9bn. It also marks an increasing reliance on the international capital markets by the country, which carries a Ba/Baa+ rating, putting it just below investment grade.

The day's other French borrower was Caisse Autonome de Refinancement, a public mortgage-refinancing body linked to the Caisse des Dépôts, which raised FF400m. The maturity of

Deutsche Bank also arranged a \$200m five-year offering for United Mexican States, the premier credit among Latin American borrowers. The deal, the issuer's first Eurobond issue since the 1970s, will be priced today to yield 208 basis points above the then-issued five-year US Treasuries.

Elsewhere, Peugeot Talbot Motor Company tapped the Eurosterling market for the first time since 1981 with a £100m four-year offering, priced to yield 90 basis points over the 8 3/4 per cent 1997 UK government bonds.

Syndicate managers involved

in the deal said the fact that Peugeot's long-term debt was not rated proved a drawback when placing the paper. The bonds were not freed to trade by late yesterday.

The day's other French borrower was Caisse Autonome de Refinancement, a public mortgage-refinancing body linked to the Caisse des Dépôts, which raised FF400m. The maturity of

Deutsche Bank also arranged a \$200m five-year offering for United Mexican States, the premier credit among Latin American borrowers. The deal, the issuer's first Eurobond issue since the 1970s, will be priced today to yield 208 basis points above the then-issued five-year US Treasuries.

Elsewhere, Peugeot Talbot Motor Company tapped the Eurosterling market for the first time since 1981 with a £100m four-year offering, priced to yield 90 basis points over the 8 3/4 per cent 1997 UK government bonds.

Syndicate managers involved

six-and-a-half-years matched CAR's loans and when the bonds were freed to trade, they yielded over the 8 1/4 OATs due 1998, tightened to 28 from 30 basis points at launch.

Later in the day, Exxon Capital Corp awarded a mandate for a 10-year \$250m offering to Kidder Peabody. The bonds are expected to be priced to yield 16 basis points over

comparable US Treasuries.

National Australia Bank raised A\$100m through a five-year offering, priced to yield 34 basis points over government bonds. The spread tightened later in the day to 29 basis points. Meanwhile, Tuesday's A\$150m bond issue by Treasury Corp of Victoria was bid at 98.75, above the net price to underwriters of 98.35.

Final terms and non-callable unless stated. a) Priced today to yield 208bp over the "when issued" 5 year US Treasury. b) Borrowers full name: Caisse Autonome de Refinancement.

NEW INTERNATIONAL BOND ISSUES

Borrower US DOLLARS United Mexican States(a)	Amount m.	Coupon %	Price (a)	Maturity Mar 1998	Fees	Book runner	CALLS		PUTS		
							200	(a)	200	(a)	
VEN	300m	4.5	101.86	Jun 1998	1.875/1.875	Yamazaki Int./Europe)	420	31	420	31	
Marubeni Corp.	200m	4.3	101.5	Jun 1997	1.625/1.375	Nikko Europe	420	30	420	30	
Marubeni Corp.	300m	4.5	101.675	Jun 1998	1.875/1.875	Daiwa Europe	420	31	420	31	
Mitsui & Co.	300m	4.3	101.2	Jun 1997	1.625/1.375	Nomura Int.	420	30	420	30	
D-MARKS	2.8bn	6.5	101.2	Mar 2000	1.75/1.45	Dresdner Bank	2.25/1.3	2.25/1.3	2.25/1.3	2.25/1.3	
European Community	2.8bn	6.5	101.2	Mar 2000	1.75/1.45	Dresdner Bank	2.25/1.3	2.25/1.3	2.25/1.3	2.25/1.3	
National Bank of Hungary	1bn	9.25	101.2	Mar 2000	1.75/1.45	Deutsche Bank	2.25/1.3	2.25/1.3	2.25/1.3	2.25/1.3	
CARDI	3bn	7.75	98.055	Dec 1993	0.3	CCP	-	-	-	-	
STERLING	Peugeot Talbot Motor Company	100	7.825	101.285	Dec 1997	1.875/1.575	NatWest Cap.Mkt.	-	-	-	-
AUSTRALIAN DOLLARS	National Australia Bank	100	7.75	100.285	Mar 1998	2/1.375	Barclays de Zoete Wedd	-	-	-	-
SWISS FRANC	Peugeot Talbot Motor Company</										

Exceptional charge of £1bn pushes pre-tax deficit to more than £1.2bn

BAe dividend pay-out surprises City

By Tony Jackson

BRITISH Aerospace's decision to pay a larger than expected dividend meant the company was feeling much more confident about the future, Mr John Cahill, chairman, said yesterday.

"We have reduced our break-even point, and it's going down further," he said. "We also have spare capacity to take up slack when the recovery takes place." Getting costs down was "a religion" in Bae, he added.

In spite of making a net loss of £885m, the company declared dividends worth £35m gross on top of £28m of preference dividends. That left dis-

tributable reserves of £27m. Mr Richard Laphorne, finance director, said the policy was to have the gross dividend covered close to three times by earnings.

Shareholders' funds fell from £2.7bn to £1.78bn. Mr Laphorne said that left "comfortable headroom" over the £1.6bn minimum net worth specified in the group's banking covenants.

Changes in accounting policy reduced profits by about £50m, Mr Laphorne said. The largest items were a £47m write-off of launch costs on regional aircraft, offset by a reduction in pension fund payments of £59m to reflect surpluses.

The heaviest losses came in regional aircraft, which lost £237m at the operating level besides incurring exceptional costs of £1bn.

Mr Laphorne said adverse changes in the order book for Airbus meant Bae's share in the business would continue to consume cash until mid-1994.

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COMPANY NEWS: UK

Losses in the second half were about £50m. They were likely to run at a lower level this year, according to the company.

Mr Cahill said: "The reason we lost £237m was partly to do with the market, but above all because costs are too high. The challenge for the new joint venture is to get costs out of the process." The UK plants supplying the joint venture had been given 36 months to reduce their overheads by between 25 and 30 per cent, he said.

After interest charges of £125m and exceptional losses of £1bn (£265m), there was a pre-tax loss of £12m (£112m). After tax of £272m (£26m) and minorities of £41m (£51m), the net loss was £288m (£132m).

Rover still in loss as further jobs go

By Kevin Done,
Motor Industry Correspondent

ROVER, the motor vehicles subsidiary of British Aerospace, incurred an operating loss before interest of £49m last year, compared with a loss of £52m in 1991 and an operating profit of £68m in 1990.

The company cut another 1,277 jobs from its UK workforce last month through an enhanced voluntary redundancy programme, Mr George Simpson, BAE deputy chief executive and chairman of Rover, said yesterday.

Rover eliminated 1,800 jobs last year with a reduction in the workforce to 33,200 at the end of 1992 against 35,000 at December 1991 and 40,500 at the end of 1990.

Bae said it expected Rover to move back into profit in 1993 after two years of losses, helped by:

- stronger new car demand, with UK new car sales forecast to rise from 1.59m to 1.65m in 1993,

- a further reduction in costs, following a 7.5 per cent improvement in productivity in 1992,

- the launch of the new Rover 600 large family car range in April, and

- improved competitiveness gained by last autumn's devaluation of the pound.

Mr Simpson said break-even point had been reduced to a production of about 440,000 vehicles a year. The targeted break-even level remains 400,000 vehicles a year.

Rover vehicle production declined from 419,881 to 404,971. Car output fell by 4.8

per cent to 347,639 (including 32,444 Honda Concertos for the Japanese car maker).

Output in 1992 was supported by the success of the Land Rover four-wheel drive vehicle business, which raised production by 5 per cent to 57,332 against 54,594 in 1991.

Bae has taken a charge of £36m for the write-off of its 10.9 per cent holding in Daf, the Dutch commercial vehicle maker, which collapsed into receivership three weeks ago.

Mr Simpson said it had managed to sell the holding in recent days via the Amsterdam stock exchange for just over £1m or £1.60 a share.

Turnover declined marginally to £3.58bn (£3.74bn), in spite of a 10.4 per cent decline in wholesale vehicle sales to 421,000, (470,000). Retail vehicle sales to customers fell by 6.7 per cent to 445,500.

Rover's retail vehicle sales in the UK declined by 7.4 per cent from 243,982 to 225,192, and the share of the UK new car market fell to only 12.5 per cent (14.4 per cent). The company is still dependent on the UK market for about 57 per cent of its vehicle sales.

Sales in its three main continental European markets – France, Italy and Spain – fell marginally, but export performance improved in the second half and should be boosted this year by the devaluation of the pound.

Capital expenditure is forecast to rise to £223m this year against £210m in 1992 and £250m in 1990, while spending on new product development is expected to continue at about £150m a year.

The company had considered raising capital through a stock market flotation. It rejected the idea, however, because it feared that pressure from shareholders to maximise short-term returns would prevent it from making the large investments needed to develop the business.

Derwent Valley, which has 350 employees, expects a £2m trading profit on sales of £26m in the year to March. Its existing management have agreed to continue, and Mr McKechnie will join the board of KP Foods, UB's snacks division.

United Biscuits is paying £15m in cash and £5m in shares, and assuming about £5m of debt. The deal is conditional on clearance by the Office of Fair Trading.

About two thirds of Derwent Valley's shares are owned by founders and directors and 27 per cent by Si, the investment capital group which helped finance the company's formation. The rest of the shares are owned by staff.

Mr McKechnie said that under United Biscuits' ownership, Derwent Valley would enjoy stronger financial backing and planned to expand dis-

United Biscuits snaps up snack maker for £24m

By Guy de Jonghiers,
Consumer Industries Editor

BERWENT VALLEY Food, the northern England snack maker whose rapid growth made it one of the entrepreneurial success stories of the Thatcher era, is to be sold to United Biscuits, Britain's largest biscuits and snacks manufacturer, for about £24m.

Derwent Valley, founded 11 years ago in Consett, the former steel town in County Durham, is best known for its Phileas Fogg tortilla chips and other corn-based products. It pioneered the British market for adult premium snacks, worth about £70m a year and the fastest-growing sector of the snacks business.

Mr Roger McKechnie, managing director, said the company wanted to step up its international expansion. After failing to find an industrial partner willing to help, it had decided last year to seek a buyer.

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Phileas Fogg seeks fresh travel challenge: Roger McKechnie (left) with David Gorman, managing director of KP Foods (UK)

tribution from 8,000 to about 50,000 UK retail outlets. Until now, relatively low volumes and a small sales force had made it difficult to extend distribution much beyond large supermarket chains.

The companies hope in the next five years to double the sales of Derwent Valley and to turn Phileas Fogg into one of Britain's five best-selling snack brands.

Derwent Valley has 3 per cent of total British snacks sales and about a third of the adult premium sector. KP, which had estimated sales last year of more than £530m, will join the board of KP Foods, UB's snacks division.

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KP, which has operations in the US, continental Europe and Australia, plans to step up Phileas Fogg's sales effort outside Britain and may eventually make its products in factories abroad.

Derwent Valley has annual exports of about £2m to Australia, France, the Netherlands and Spain. Although it has tried for several years to expand international sales, particularly in Europe, it has been handicapped by lack of experience and limited distribution.

The company has held talks with several other prospective bidders. They are believed to have included PepsiCo of the US, the world's largest snacks manufacturer, which owns the Smith's and Walkers' brands in Britain, and Del Monte, owner of the Golden Wonder brand.

Mr McKechnie said United Biscuits had been chosen because it offered the "best fit in terms of clout, expertise and corporate culture". He would not say if it also submitted the highest bid.

Derwent Valley will remain an independent company within the KP group, and its management will continue to be responsible for UK operations.

See Observer

Mentor creditors pass scheme of arrangement

By Richard Lapper

CREDITORS OF Mentor, the Bermuda-based reinsurer which collapsed in 1985 with gross liabilities in excess of £790m, have approved a scheme of arrangement, which should allow them to receive payment equivalent to at least 40 cents of the dollar.

There are almost 800 UK and US creditors of Mentor. Under the terms, Mr Giuliano Lotito, Pontis Investments and Northern Trust Company will together subscribe for 500,000 5 per cent convertible redeemable preference shares of £1 each at par.

In the six months to August 31, the company reported losses of £151,000 on turnover of £237,000.

Sir Fred Pontis holds a 36.6 per cent stake in Farringford.

Mr Charles Kempe, partner of Ernst & Young, said that the

scheme would require creditors to value any remaining unexpired claims on an actuarial basis which would then be adjudicated upon by Mr Kempe and Mr Nigel Hamilton, the joint liquidators.

The scheme represents a pioneering attempt to finalise the liquidation through the usage of actuarial techniques," said Mr Kempe.

Since their appointment in 1985 the joint liquidators have increased the available assets of the estate by some £158m, including reinsurance recoveries of £54m and £40m in cash settlements related to litigation against the company's shareholders, directors and auditors.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding dividend	Total for year	Total last year
BAE	fin 4	June 1	16.1	7	25
Dakota	fin nill	-	0.64	nill	1.16
Dunedin Income	fin 17	Apr 21	25.4	25.4	31.5
Fairway Group	fin 2.15	Apr 7	2.18	3.15	3.15
Joyce	fin 2.07/2.05	Apr 6	1.75	5.65	5.65
Malpines (A)	fin 1	May 7	5.8	6.5	10.3
H&G Income	fin 0.75	Apr 20	1.5	6.625	6.75
New Throgmorton	int 1.5	Mar 19	2	4.5	4.5
Primadonna	int 2	Mar 31	5.8	8.3	8
Rights & Issues	fin 6	Apr 30	1.75	-	7
Throgmorton Dual	int 1.75	Apr 30	1.75	-	7

Dividends shown per share, net except where otherwise stated. 10m increased capital, £15m stock, 4.84p pence. 25.4 Second interim making 5.75p to date. 31.5 Second interim making 4.5p (same) to date. 3.15 Second interim making 3.5p (same) to date.

SIEMENS

Proposals for the amendment of the agenda of the Annual Shareholders' Meeting of Siemens AG on March 11, 1993

Subsequent to the publication in the German Federal Gazette No. 16 of January 28, 1993 of the invitation to our Annual Shareholders' Meeting to be held on Thursday, March 11, 1993, Prof. Dr. E. Wenger, Reichenberg, has demanded the announcement of the following additional proposed resolutions which have been placed on the agenda for the Annual Shareholders' Meeting:

- Amendment to the Articles of Association:
Abolition of all multiple voting rights and removal of the clause that registered shares are transferable only with the consent of the Managing Board and the Supervisory Board.
- Amendment to the Articles of Association:
Abolition of all multiple voting rights created prior to January 1, 1966 in the case that no resolution of the Annual Shareholders' Meeting or no separate resolution of certain shareholders of preferred shares is passed pursuant to Article 7 of the agenda.
- Amendment to the Articles of Association:
Abolition of the authorisation of the Managing Board to carry out capital increases against paid-in capital and to issue new shares with multiple voting rights at the same time.
- Amendment to the Articles of Association:
Abolition of the authorisation of the Managing Board to carry out capital increases excluding shareholders' pre-emptive subscription rights.
- Amendment to the Articles of Association:
Extension of the obligations of the Managing Board to give information regarding financial position and profit situation.

The full text of this announcement was published in the German Federal Gazette No. 25 of February 6, 1993. The text of the original is available for inspection at the offices of S.G. Warburg & Co. Ltd., 2 Finsbury Avenue, London EC2M 2PA.

Berlin and Munich, February 1993

Siemens Aktiengesellschaft
The Managing Board

FT SURVEYS

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BRADFORD & BINGLEY BUILDING SOCIETY
AUDITED RESULTS FOR THE YEAR ENDED 31st DECEMBER 1992

Results	Year to 31st.12.92	Year to 31.12.91
	£m	£m
Net Interest Receivable	237.0	201.4
Other Income and Charges	74.9	60.0
	311.9	261.4
Management Expenses	139.6	123.2
Operating Profit	172.3	138.2
Loss Provision on Commercial Assets	81.0	30.4
Pre-Tax Profits	91.3	107.8
Taxation	26.4	34.7

COMPANY NEWS: UK

Wickes stages recovery with turnaround to £6.6m

By Andrew Adonis

WICKES, the DIY and timber retailer which almost sank two years ago, returned to the black in 1992 but is again passing its dividend.

Pretax profit for the year was £6.57m, including exceptional £785,000 property profits and £1.98m reorganisation costs at Malden Timber, one of its two ill-fated timber subsidiaries. The pre-tax loss for 1991 was £6.72m.

The results reflected a sharp fall in interest charges following a £42.6m rights issue in 1991.

Net interest payments were down to £13m (£16.9m) with group debt down by £5.8m to £73.2m. Gearing at the year end stood at 92 per cent (322 per cent).

Operating profit more than doubled to £20.8m (£10.1m). Turnover was slightly up at £54.4m (£54.6m). Earnings per share were 1.8p (losses of 2.1p).

The results were in line with City expectations, but the shares shed 4p to 89p amid continuing concern about the future of the timber business.

Wickes operates 102 DIY stores in the UK, Belgium, the Netherlands and France. It



Henry Sweetbham: priority to pay a dividend in 1993

plans to open another 15 in the UK and five on the Continent this year.

The company has launched an expansion of Builders Mate, its UK chain of low-cost timber outlets.

Seven Builders Mate stores are already trading; another 14 will be launched this year after two years' work on repositioning the timber side. They will offer a range of 2,000 core products - construction timber, sheet materials and branded products - at up to 10 per cent below the "headline" prices of

typical timber merchants.

Mr Henry Sweetbham, chairman, said Builders Mate was "a great market opportunity. It applies our tried-and-tested sales approach to the traditional timber merchant trade."

The passing of the dividend, he said, was in order "to continue to reduce borrowings and finance the capital expenditure necessary for expansion." The payment of a dividend for 1993 is "a priority".

● COMMENT

Wickes is not out of the woods yet. The DIY side is in sound shape, with sales and margins continuing to outperform the sector average. Though ambitious, its planned expansion applies a proven formula when sites and building costs are cheap. Timber remains the problem. With only two of its "pilot" stores trading for more than a year, Builders Mate is practically a leap in the dark. Most trade customers are credit-dependent and tied to traditional suppliers. A construction upturn may supply the credit; luring the customers is another matter. Analysts are forecasting profits this year of about £17m, putting the shares on a prospective multiple of 23. A recovery stock.

IN BRIEF

GARTMORE EMERGING Pacific Investment Trust: Net asset value 81.5p (51.1p) per share at 31 December 31; value, assuming exercise of warrants was 76.6p (53.2p). Earnings per share 0.3p (0.48p) and final dividend 0.15p (0.13p). No special distribution (0.1p).

INVESCO MIN has sold its wholly-owned property management and advisory subsidiaries, MIM Property Services and TransEuropean Property (General Partner) to PIC Holdings, whose ultimate holding company is the Prudential Insurance Company of America. Consideration was £2m cash.

SCOTTISH METROPOLITAN Property has completed the sale of an office property investment at Watford, Hertfordshire, and a retail warehouse investment property at Enfield, Middlesex, for £7.1m. The sales are part of an ongoing sales programme and the proceeds will be used to reduce borrowings.

WHESSOE shareholders have approved the engineering and controls company's proposed acquisition of Autronica, the Norwegian instrumentation group. Whessoe has received acceptances in respect of more than 87 per cent of the Autronica equity and is now awaiting the final dividend which would be reduced from 5.8p to 3.5p making a total of 6.5p (10.3p) for the year.

The group's share price fell 8p to close at 13p following the announcement that the pre-tax surplus had fallen from £9.3m to £3.6m for the year ended October 31 1992. Profits would have been higher but for a £2m exceptional provision mostly to cover redundancy costs.

Mr Graeme Odgers, who is quitting as chief executive to become chairman of the Monopolies and Mergers Commission, said that the final dividend would be reduced from 5.8p to 3.5p making a total of 6.5p (10.3p) for the year.

Court decision poses questions about future of December's three-year loan facility

Costain appeals against US injunction

By Andrew Taylor, Construction Correspondent

COSTAIN, like an ageing heavyweight who has seen better times, is beset by blows from all sides. Misfortune has piled upon misfortune as management has struggled to keep the international construction and mining business afloat.

The British-based company, faced with its latest setback yesterday, appealed against the granting of a permanent injunction by a United States court preventing it from selling its Australian claimmining and commercial property interests for \$245m (£172.5m) to Alitus Finance, a subsidiary of Crédit Lyonnais, the French bank.

Peabody, the US-based coal subsidiary of Britain's Hanson group, had asked Stephen Limbaugh, the district judge, to block the deal on grounds that Costain had previously agreed to sell it the Australian coal mining business for \$200m.

The decision in St Louis, Missouri, raises questions about a three-year loan facility negotiated with Costain's bankers in December; the facility was based upon the company receiving the proceeds from a sale to Alitus. It remained unclear yesterday

whether all or part of this arrangement would need to be renegotiated or what attitude lenders would take should Costain have breached the terms of the refinancing agreement.

In the worst scenario, the banks could seek to put the British company into administrative receivership. That might allow the new operators to relaunch negotiations to sell Costain's Australian and US coal mining businesses unencumbered by legal actions.

Among the reasons why banks may not adopt this course is that, having supported the company so far, they might as well allow the appeal to proceed.

The construction company also retains the option to accept the lower Peabody offer for the Australian coal operations. With the pound's devaluation, that looks more attractive in sterling terms than when it was negotiated last autumn. However, the sterling cost of Costain's borrowings, much of which are in the US, will have also risen.

To allow such a well-known public company to fail would provoke a large political and public relations fallout for the banks, which are already facing strong criticism. If administrators could successfully sell

the coal businesses, it would leave the banks with the problem of disposing of Costain's construction and UK house-building operations, both of which would have a "dis-

concluded last autumn, easily exceeds its book value, which was £275m at the start of last year. Borrowings include £52m of loans due on the Spitalfield commercial property joint ven-

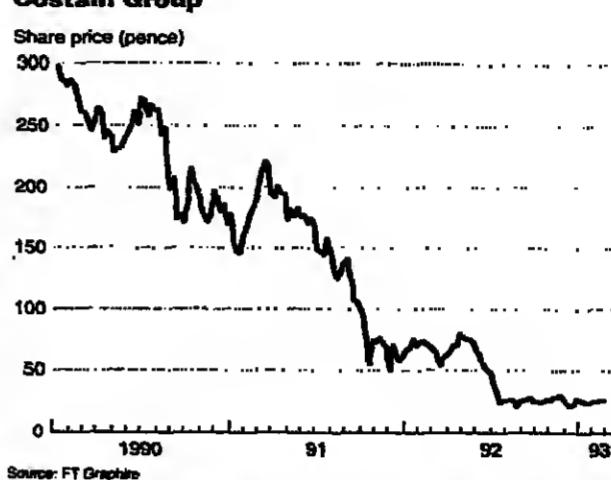
Costain needed to have bank approval to make a payment to refinance the Spitalfield project". He also revealed that Bouygues, the large French construction group, had been discussing the possibility of making a bid for the whole of Costain shortly before Altus emerged on the scene.

The judgment is the latest in a series of setbacks for the group, which has seen its share price fall by almost 90 per cent in just over two-and-a-half years to 27p yesterday.

Costain's stock market value of only £52m is less than a third of that of lesser-known domestic housebuilders such as Berkeley Group, Persimmon, Wilson Bowden and Wilkinson Connolly.

A sale of the Australian coal operations by Peabody would still have gearing of more than 70 per cent. Although UK housebuilding is showing signs of recovery, Costain has a poor track record in this market. US coal operations have been lacklustre. Only international contracting has displayed any promise. Margins on contracting however, remain low by comparison with other businesses.

Costain, provided banks keep their nerve, has a lot of rebuilding still to do.



tressed sale" sign hanging over them. Although the banks may decide to remain with Costain, they cannot be pleased about how such a vital disposal has become ensnared in the courts. The group's debt, which was £344m when the rival deals with Peabody and Altus were

ture in London. Judge Limbaugh said that Costain, although still talking to Altus, had decided to accept Peabody's offer on October 19 because "the banks were becoming increasingly concerned about Costain's position and at the end of that week

Atreus to obtain official listing via reverse takeover

By Peggy Hollings

ATREUS, a shower screen and mirror manufacturer, yesterday joined the growing trend of small companies using reverse takeovers to get an official listing, following proposals to close the Unlisted Securities Market.

The group, which plans to merge with shell company URS International, is expected to have a market value of just £7.2m, following a placing and public offer of 27.5m shares at 20p each.

The whole process is expected to cost the company £500,000 - roughly half its latest estimated annual profits.

It is likely that this method of reversing into listed shells to come to the market will be increasingly pursued by smaller companies. Referring to the proposed demise of the USM, one analyst said: "I suspect they will be prepared to stomach the costs. The market is strong and institutions have an appetite for smaller company issues at the moment."

Mr Rodney Harnett, chairman, said Atreus aimed to grow through expanding its product ranges out of the bathroom, tackling new markets at home and abroad, such as hotels, and by acquisition. It had come to the market to help finance that growth.

However, Atreus will raise just £1m from the placing and offer, after issuing £4m in loan notes to the founders and vendors, Mr Bruce Ledwith and Mr David Howarth, and paying expenses. It is likely that Atreus will have to return to shareholders for cash after about 18 months.

Mr Harnett said he aimed to show investors that the group was "capable of sustaining growth and using our cash resources wisely" before making a further cash call.

Atreus is forecasting a 35 per cent jump in pre-tax profits to £1.1m for the year to January 31.

The group said that, had it been listed, the board would have recommended a dividend of 0.75p.

NEWS DIGEST

Tops raises £15m from stock issue

TOPS ESTATES, the shops and office property company, proposes to raise about £15.6m net of expenses via the issue of 7.5 per cent convertible loan stock.

The stock is being conditionally placed with institutional investors by Paribas, but under the terms of an open offer by Paribas on behalf of Tops Estates, £15.3m of the stock will be made available to shareholders on a 1-for-3 basis.

The issue may be converted into £25 ordinary shares per £1,000 nominal of stock between 1998 and 2020, representing an equivalent conversion price of 180p.

The placing is subject to shareholders' approval at an extraordinary meeting on March 19.

Revamped PHIT net assets up 39%

Pacific Horizon Investment Trust reported a net asset value of 36.4p per share as at January 31, up from 26.2p at the July year-end.

The 39 per cent advance compared with a 20.1 per cent rise in the FT-Actuaries Pacific Basin ex Japan Index.

The trust is now managed by Baillie Gifford after previous

software manufacturing subsidiary to BG Turnkey Services, for a nominal consideration. The loss on disposal amounts to £140,000, which will be reflected in the current year's accounts.

Jos Holdings show improvement

Jos Holdings, which last year became a split capital investment trust after a reorganisation, raised net profits from £186,000 to £287,000 in the six months to January 31 1993.

Earnings per income (ordinary) share were 4.43p (2.01p). A second quarterly dividend of 2.75p makes 5.75p to date - a total that has been forecast for the current year.

Total assets rose by 19.4 per cent, from £1.1m to £1.38m. Net asset values were 19.62p per capital share, 82.3p per zero dividend preference share, and 1p per income share. At July 31 1992, net assets per ordinary share stood at 163.6p.

Directors said the group had an extremely difficult year, primarily in its non-core computer paper and software manufacturing operations. Action had been taken to deal with the trading difficulties and the business had been refocused around the printing and packaging operations.

Turnover fell to £26.9m (£23.8m). Losses per share worked through at 4p (3.3p earnings) and there is no dividend. A total of 1.1p was paid last time.

Directors said the group had been taken to deal with the trading difficulties and the business had been refocused around the printing and packaging operations.

Dunedin Income net assets up 10%

Net asset value at Dunedin Income Growth Investment Trust rose 10 per cent, from 54.2p to 59.5p per share, over the 12 months to January 31.

Net revenue amounted to £6.92m, down from £7.91m last time, for earnings of 21.75p (24.87p) per share. Directors attributed the decline to a proposed reduction in the trust's equity portfolio and lower levels of interest on liquid funds.

The final dividend is held at a proposed 17p for a maintained total of 26.4p; the distribution requires a transfer of £1.16m from reserves.

Problem at offshoot sees CRP shares fall

Shares in CRP Leisure yesterday fell 3.4p to 4.5p, after the USM-traded group warned of financial difficulties at its CRP Pursehouse subsidiary, compounded by a sizeable bad debt on a building contract.

The company warned that

trading at Pursehouse, a building contractor acquired a year ago and mainly engaged in public house refurbishment, had "deteriorated significantly" in recent months.

CRP said it was examining various options to resolve the problems at Pursehouse, including possible refinancing and an arrangement with the subsidiary's creditors.

Throgmorton Dual net assets at 667.5p

Throgmorton Dual Trust, a split-capital concerto, had a net asset value of 66.52p per capital share at January 31, up from 62.85p a year earlier and 55.13p at the trust's July year-end.

The figure per income share was 31.3p, against respective values of 28.3p and 26.8p.

Net revenue for the six months to January was £82,000 (£59,200), equivalent to earnings of 3.62p (3.01p) per income share.

A second interim dividend is maintained at 1.75p making 5.25p to date.

Primadonna assets show improvement

Net asset value per share of Primadonna stood at 20.14p on December 31, against 18.1p at the June year-end and 17.51p a year ago.

Net revenue amounted to £2.125m, down from £2.121m last time.

The latest figure included a charge of £454,000 to amortise the goodwill from the acquisition of Radio Mercury and County Sound in September 1991, plus £181,000 for the rationalisation of property requirements.

The trading loss was £763,000, compared with £649,000.

Losses per share were 3.4p (2.35p for 1991). The company warned that

"This performance, while disappointing, is still reasonable given the difficult environment for smaller companies during the year."

Net revenue amounted to £238,674 (£227,888) for earnings of 7.75p (7.44p) per income share. The dividend is raised to 6.3p (6p) via a recommended and an arrangement with the

M&G Income asset value at 59.52p

M&G Income Investment Trust, which came to the market in October 1991, had a net asset value of 59.52p per capital share at January 31 1993. Asset value per zero dividend preference share was 39.22p.

Earnings per share came out at 31.3p, against 28.3p and the proposed final dividend of 0.75p brings the total to 5.8625p.

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Oliver Resources cuts deficit

Oliver Resources, the Dublin-based oil and gas company quoted on the USM, cut pre-tax losses to £184,000 (£190,000) in the year to October 31. This compared with £121.5m previously, which included an exceptional charge of £12.1m.

LONDON SHARE SERVICE

AMERICANS

	Notes	Price	+	%	1982/83	Mkt
Abbott Labs.		154.00	154.00	0.00	145.00	Capita
Allegany & W.	▼	514.00	514.00	0.00	520.00	13,000.00
Ansett		520.00	520.00	0.00	527.00	267.00
Amex Cypress		374.00	374.00	0.00	380.00	2,500.00
Amex Express		154.00	154.00	0.00	157.00	7,500.00
Amex T & T		374.00	374.00	0.00	374.00	50,000.00
Amtech		520.00	520.00	0.00	520.00	22,000.00
BanAmericas		374.00	374.00	0.00	374.00	12,274.00
Bankers NY		47.00	47.00	0.00	47.00	3,700.00
Bell Atlantic		374.00	374.00	0.00	374.00	10,300.00
BellSouth		374.00	374.00	0.00	374.00	10,300.00
Bethlehem Steel	▼	117.00	117.00	0.00	117.00	1,070.00
Bettis		1400.00	1400.00	0.00	1395.00	54,520.00
CPC		22.00	22.00	0.00	22.00	4,000.00
Citicorp Land Inc.	▼	115.00	115.00	0.00	108.00	675.00
California Corp.		141.00	141.00	0.00	141.00	258.20
Chase Manhattan		212.00	212.00	0.00	212.00	3,240.00
Chrysler		220.00	220.00	0.00	220.00	7,321.00
Clipcor		175.00	175.00	0.00	175.00	6,442.00
Colgate-Palmolive		61.00	61.00	0.00	60.00	6,000.00
ComFirst Bank		1600.00	1600.00	0.00	1600.00	1,600.00
Dana		221.00	221.00	0.00	214.00	1,473.00
Data General		857.00	857.00	0.00	857.00	236.00
Decatur Invst.	▼	140.00	140.00	0.00	140.00	27.00
Dunn & Brad		30.00	30.00	0.00	30.00	6,070.00
Edison		54.00	54.00	0.00	54.00	1,071.00
Ethlin		17.00	17.00	0.00	17.00	7.00
FPL		27.00	27.00	0.00	27.00	1,000.00
Ford Motor		31	31	0.00	31	16,121.00
Gen Elect		591.00	591.00	0.00	591.00	40,247.00
General Host	▼	860.00	860.00	0.00	860.00	8,817.00
Gillette		401.00	401.00	0.00	401.00	1,875.00
Heublein		20.00	20.00	0.00	20.00	3,100.00
Honeywell		231.00	231.00	0.00	231.00	4,267.00
Houston Inds.		32.00	32.00	0.00	32.00	20,257.00
IBM		365.00	365.00	0.00	365.00	2,400.00
Ingersoll-Rand		221.00	221.00	0.00	221.00	1,351.00
Lackheed		391.00	391.00	0.00	391.00	4,624.00
Lowe's		1200.00	1200.00	0.00	1200.00	9,755.00
Maurill Lynch		441.00	441.00	0.00	441.00	2,043.00
Morgan (LP)		441.00	441.00	0.00	441.00	2,043.00
Morris (PhMip)		421.00	421.00	0.00	421.00	1,875.00
NWEX		25	25	0.00	25	1,000.00
Pell		121.00	121.00	0.00	121.00	1,447.00
Pentecor		200.00	200.00	0.00	200.00	1,000.00
Quaker Oats		401.00	401.00	0.00	401.00	1,875.00
Rockwell		20.00	20.00	0.00	20.00	1,000.00
Rep NY		21.00	21.00	0.00	21.00	1,000.00
Sears, Roebuck		361.00	361.00	0.00	361.00	16,244.00
Siemens West		20.00	20.00	0.00	20.00	1,000.00
Sun Co.		161.00	161.00	0.00	161.00	1,000.00
Teneco		20.00	20.00	0.00	20.00	1,000.00
Texaco		43.00	43.00	0.00	43.00	1,044.00
Time Warner		220.00	220.00	0.00	220.00	11,265.00
Unilesh		600.00	600.00	0.00	600.00	4,000.00
URS Int'l. Inc.	▼	82.00	82.00	0.00	82.00	1,000.00
US West		100.00	100.00	0.00	100.00	1,000.00

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CANADIANS	Notes	Price £	+ or -	1983/84	Mid Cap £m
Abbot Energy	V	29	-	29	1,49
Amer. Electric		122.00p	+61	722.00p	3,477
St. Montreal		28.1	+1	28.5	2,918
Sask. Novelty		129.7	+7	134.00p	2,674
SC Gas	V	78.00p	-	87.00p	2,135
SECS		21.1	-	22.1	7,795
Siemens	V	557.0	-	550.00p	4,645
Breakwater	V	14.10p	-	13.00p	9.38
Can. Imp. Bk.		135.00p	+14	161.00p	2,947
Can Pacific		32.20p	+7	37.00p	2,639
4pc Deb		45	-	45	34
Dartan	V	27.00p	-	27.00p	221.0
Echo Bay	V	34.00p	+12	46.00p	265.0
Gen. Corp.	V	125.00p	+6	140.00p	308.6
Hawker Sid.		11.1	-	12.1	316.7
Hudson's Bay	V	175.00p	+34	210.00p	81.3
Imperial Oil	V	22.50p	-	24.50p	4,936
Inco		16.50p	+1	16.50p	1,765
N. A. Tree Recycling	V	34.0	+3	38.0	27.0
Nova Corp. Alberta		47.00p	+4	44.00p	31.00
Oil Algoma	V	187.00p	+20	160.00p	1,627
Royal Can. Bk.	V	140.00p	-	122.00p	47.8
TVA Gold		154.10p	+12	154.00p	4,413
Toronto-Domin.		90.00p	+34	97.00p	22.8
Trans Can Pipe	V	34.00p	-	34.00p	2,712

WBS Group.....

CHEMICALS		Notes	Price	+/-	%
Alco Pl.			\$57.0	-2	1992
Alkal Colloids	\$17.0		246	-2	246
Angie Wht			51.0	-1	51.0
ASOC Dm			50.0	-1	50.0
BAC			76.0	-1	76.0
BTB			41.0	-1	41.0
BTB Water AS		+/-	12.0	-1	12.0
Bayer Dm			15.0	-1	15.0
Brent			14.0	-1	14.0
Bright WH	\$7.0		14.0	-1	14.0
Catal			28.0	-1	28.0
Td CP Pl 103			7.0	-1	7.0
CP Alkal Ed S.			3.0	-1	3.0
Canning (W)			14.0	-1	14.0
Chessex			2.0	-1	2.0

BRANDS

BANKS		Notes	Price	+/-	1992/93	Mkt	Yd	
			220+	-	High	Low	CapEx	%
BBM Amex Pl.			220+	-	220+	212+	3071	57
BBM AS.			182+	-	182+	178	3065	55
BBW Kufstein	10		305	-	308	295	5047	43
BBW Salzburg	10		285	-	285	254	5047	43
BBW Innsbruck	12		284	-	284	154	1230	11
BBW Linz	12		284	-	284	154	1230	11
BBW Klagenfurt	7		520	-	520	22	142	14
BBW Salzburg	7		520	-	520	22	12181	1.0
BBW Wels			530	-	530	229	12181	1.0
BBW Villach			216+	-	217	211+	3,671	37
BBW Salzburg			227+	-	227	218	3,667	35
BBW Innsbruck	12		203	-	205	141	8162	53
BBW Linz	12		203	-	205	141	8162	53
BBW Lienz	12		320	-	346	220	254	7.8
BBW St. Johann	12		123	-	140	97	1,532	4.4
BBW St. Gallen	12		130+	-	138+	104	1,303	8.4
BBW Pf.			130+	-	138+	104	1,303	8.4

BRIEWERS & DISTILLERS

BREWERS & DISTILLERS									
		+ or	1982/93	Mid	Vid				
Notes	Price	-	High	Low	CashEx	Gr's	Pt's		
Allied-Lyons	\$1	588	56 - 724	526	5,187	4.5	13.		
Bass	□	577	54 - 655	472	4,961	4.4	13.		

Traktoren Hst ...%	78,2	78,2	99	399,7	66
A	73,2	73,2	56	147,8	-
Wanzl	34	233	234	116	14

CONTRACTING & CONST.			
	Notes	Price	# Inv.
AMETC	+	91	2
G-30 Cr Pl		95	752
Arco Corp.	▼	95	94
Abbey Mfg.		95	86
Allen		100	15
Andrews Systems	+	140	122
Angia Sec.		9	146
Ashland		187	27
Avonite		87	192
Ballys DB		21	141
			51

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Notes	Price	1952/53				Mid Capita	Yd S'ts	P/Y
		High	Low	Av.	Diff.			
Abrilites	\$16	14	9	9.5	.5	\$2.5	19	17.4
Anthon Grp	\$16	14	9	9.5	.5	\$2.5	19	17.4
ASICS	\$16	14	9	9.5	.5	\$2.5	19	17.4
ATPS	\$16	14	9	9.5	.5	\$2.5	19	17.4
Augerbits	\$16	14	9	9.5	.5	\$2.5	19	17.4
Bidcoyes	\$16	14	9	9.5	.5	\$2.5	19	17.4
Blitz	\$16	14	9	9.5	.5	\$2.5	19	17.4
Blitz Circle	\$16	14	9	9.5	.5	\$2.5	19	17.4
Broaden	\$16	14	9	9.5	.5	\$2.5	19	17.4
Brun Dredging	\$16	14	9	9.5	.5	\$2.5	19	17.4
Burn Fettigas	\$16	14	9	9.5	.5	\$2.5	19	17.4
C&H G	\$16	14	9	9.5	.5	\$2.5	19	17.4
Calibrated Rob A.	\$16	14	9	9.5	.5	\$2.5	19	17.4
Cape	\$16	14	9	9.5	.5	\$2.5	19	17.4
8.4pc Cr Pt.	\$16	14	9	9.5	.5	\$2.5	19	17.4
Cochran	\$16	14	9	9.5	.5	\$2.5	19	17.4
Darby	\$16	14	9	9.5	.5	\$2.5	19	17.4
Devon	\$16	14	9	9.5	.5	\$2.5	19	17.4
Erie	\$16	14	9	9.5	.5	\$2.5	19	17.4
Exped Bandit	\$16	14	9	9.5	.5	\$2.5	19	17.4
Explora UV	\$16	14	9	9.5	.5	\$2.5	19	17.4
Fremont	\$16	14	9	9.5	.5	\$2.5	19	17.4
Globe & Dandy A	\$16	14	9	9.5	.5	\$2.5	19	17.4
Gratton E	\$16	14	9	9.5	.5	\$2.5	19	17.4
Hartford Inds	\$16	14	9	9.5	.5	\$2.5	19	17.4
Hollis E	\$16	14	9	9.5	.5	\$2.5	19	17.4
Hopeworth	\$16	14	9	9.5	.5	\$2.5	19	17.4
Houstonian Well	\$16	14	9	9.5	.5	\$2.5	19	17.4
Or Pt.	\$16	14	9	9.5	.5	\$2.5	19	17.4
Patrick Johnson	\$16	14	9	9.5	.5	\$2.5	19	17.4
Warren's	\$16	14	9	9.5	.5	\$2.5	19	17.4
Johnson	\$16	14	9	9.5	.5	\$2.5	19	17.4
Kalon	\$16	14	9	9.5	.5	\$2.5	19	17.4
Kingman E	\$16	14	9	9.5	.5	\$2.5	19	17.4
Laramie-Copp Ffr	\$16	14	9	9.5	.5	\$2.5	19	17.4
Latham (I)	\$16	14	9	9.5	.5	\$2.5	19	17.4
Marshall	\$16	14	9	9.5	.5	\$2.5	19	17.4
Pep Co Pt.	\$16	14	9	9.5	.5	\$2.5	19	17.4
Melchers	\$16	14	9	9.5	.5	\$2.5	19	17.4
Monsey	\$16	14	9	9.5	.5	\$2.5	19	17.4
Marshall	\$16	14	9	9.5	.5	\$2.5	19	17.4
Clap Co Pt.	\$16	14	9	9.5	.5	\$2.5	19	17.4
Moyer	\$16	14	9	9.5	.5	\$2.5	19	17.4
Wheeler	\$16	14	9	9.5	.5	\$2.5	19	17.4
Newman-Turco Inds	\$16	14	9	9.5	.5	\$2.5	19	17.4
Phoenix	\$16	14	9	9.5	.5	\$2.5	19	17.4
Pilkington	\$16	14	9	9.5	.5	\$2.5	19	17.4
Polyplex	\$16	14	9	9.5	.5	\$2.5	19	17.4
Colligan	\$16	14	9	9.5	.5	\$2.5	19	17.4
PMC	\$16	14	9	9.5	.5	\$2.5	19	17.4
Trans	\$16	14	9	9.5	.5	\$2.5	19	17.4
Westland	\$16	14	9	9.5	.5	\$2.5	19	17.4
Rosell	\$16	14	9	9.5	.5	\$2.5	19	17.4
Hoyt	\$16	14	9	9.5	.5	\$2.5	19	17.4
Reedell (A)	\$16	14	9	9.5	.5	\$2.5	19	17.4
SPW	\$16	14	9	9.5	.5	\$2.5	19	17.4
St Gobain Ffr	\$16	14	9	9.5	.5	\$2.5	19	17.4
Sapse & Parker	\$16	14	9	9.5	.5	\$2.5	19	17.4
Show (A)	\$16	14	9	9.5	.5	\$2.5	19	17.4
Shoulder Inlays	\$16	14	9	9.5	.5	\$2.5	19	17.4
Spring Ram	\$16	14	9	9.5	.5	\$2.5	19	17.4
Sum	\$16	14	9	9.5	.5	\$2.5	19	17.4

DATE: 0

ELECTRICAL

ELECTRICITY		Notes
AB	Amsterdam A 397	—
2.7	Arlen	—
-	ASA 6 Str	—
-	BCC	—
-	Cop Fit 10,402	—
-	States Hunter	—
2.8	Bennet & Price	—
-	Bolton A	—
-	Burnfield	—
-	Claydon	—
-	Clarke (I)	—
-	Crickett 99	—
P6	Date	6
-	Defta	—
-	Dessauer	—
10.7	Dewhurst A	—
-	Dowling 4,44	—
11.1	Electrics 9 307	—
-	Excess 1	—
7.9	Excess 2 226 Pt	—
-	Excess 3 10,510	—
2.2	Follies Y	—
-	Gilligan	—
6.5	Jones Strand	—
9.3	Johnson El HHS	—
16.4	Kentbury	—
-	Keweenaw	—
6	LPA Inst	—
12.6	Levelling	—
-	Meadow	—
-	Monterey-Swansea	—
2.9	Mitsub Elec Y	—
-	Motors 8	—
-	Nest 7	—
8.8	Neutronics	14
-	Media PFI FM	—
7.2	Oasted Inst	—
4.2	Prattel Pt	—
-	Prattel Fm 54,60	—
2.9	Pt	—
0.5	A	—
-	Schles	—
18.7	Sooy 7	—
-	Silverstone 12	—
-	TDK Y	—
6.3	Thorpe (FM)	—
14.5	Vestas Y	—
-	Ward 12	—
2.2	Water Select	—
-	Westgate Fm	—
2.1	ELECTRICITY	—
4.4	Citrus Light 195	—
2.3	East Midlands	—
14.0	London	—
6	Manwest	—
12.4	Midlands	—
-	National Power	—
12.4	North	—
15.3	Norwich	—
14.0	Powers	—
14.4	South Hydne	—
14.4	Scottish Power	—
7.5	Seabord	—
-	Southern	—
-	South Wales	—
-	South Western	—
-	Yorkshire	—
ELECTRONICS		Price
17	AB Elec	—
-	ACT	—
-	Acsl	—
-	Acron Comp	—
-	Admiral	—
-	Alba	—
-	Alphatec	—
-	Amstrad	—
-	Atmel (SPL)	—
-	Batcom	—
-	Beck	—
-	Bellcord B	—
-	Bonhagor	—
-	CML Micro	—
-	Camp People	—
-	Central Tech	—
-	Cray	—
-	Detektron	—
-	Diploma	—
-	Domino Prod	—
-	Dyck	—
-	ET	—
-	Electrospace	—
-	Electrohouse	—
-	Elec Data Proc	—
-	Enterprise Corp	—
-	Eurothrust	—
-	Fantel	—
-	Feedback	—
-	Ferguson	—
-	Forward	—
-	Forward Tech	—
-	GEC	—
-	Geosat	—
-	Graham Tele	—
-	Hewlett-Packard S	—
-	Houston	—
-	INSTEAM	—
-	ISA Int'l	—
-	Indl Child Servs (Int'l)	—
-	Kaleidoscan	—
-	Kewell Syst	—
-	Kodak Int'l	—
-	Landmark S & E	—
-	Lexicon S	—
-	Link Prtg Techn	—
-	Logica	—
-	Lyon	—
-	MAT Comp	—
-	MTL Int'l	—
-	Micron 4	—
-	Micro Focus	—
-	Microfloc	—
-	Milay	—
-	Mithys	—
-	Multiflow	—
-	Mussey Inv	—
-	Newmarket (L)	—
-	Norsk Data A NIK	—
-	Nucelar	—
-	P & P	—
-	P & T	—
-	P&T Int'l	—
-	Paper Syst 3	—
-	Pech	—
-	Pepgas	—
-	Polar	—
-	Praxair	—
-	Praxitron	—
-	74pc Cr Pt	—
-	Process Syst S	—
-	Pilot	—
-	Plastique	—
-	Poclain	—
-	Polemac	—
-	Radior	—
-	Ranit	—
-	Ranit Electronics	—
-	Riva	—
-	Rokine	—
-	Sage	—
-	Sapient	—
-	Satellitecom	—
-	Satco	—
-	Savoyes	—
-	Savoyes DM	—
-	Soundtrack	—
-	Standard Plst	—
-	For Star Computer and	—
-	TDS Circs	—
-	TG	—
-	Teldata Technology	—
-	Telematrix	—
-	Telecompe	—
-	Tomtel	—
-	United	—

ENGINEERING-GENERAL - Cont.

	Notes	Price	+ or -	1992/93	1993/94	Met
Hedgerow Inds.	+	72	-	72	72	72
Hest Eng.	+	135	-	135	135	135
Hilma	-	247	-	247	247	247
Himpo Inds	+	38	-	38	38	38
Hill Ind Plt	+	41	-	41	41	41
Hoy (M)	+	117	-	117	117	117
Hill & Smith	+	117	-	117	117	117
Hopkirksons	+	117	-	117	117	117
Hovden	+	117	-	117	117	117
Howe	+	117	-	117	117	117
Jones & Shipman	+	214	-	214	214	214
Kensett C Wts	+	32	-	32	32	32
Locke (T)	A	34	-	34	34	34
MIS Ind	+	117	-	117	117	117
Mayflower	+	49	-	49	49	49
Menzies	+	117	-	117	117	117
Metzger	+	117	-	117	117	117
Min & Allard	+	117	-	117	117	117
Mofra	+	117	-	117	117	117
Nespresso	+	117	-	117	117	117
PCT	+	117	-	117	117	117
Plumier	+	117	-	117	117	117
Platon Int'l	+	117	-	117	117	117
Powerscreen	+	117	-	117	117	117
Precipex Inds	+	117	-	117	117	117
Proteus	+	117	-	117	117	117
Ramseyes	+	117	-	117	117	117
SBP Pl	+	117	-	117	117	117
Record	+	117	-	117	117	117
Richardson West	+	117	-	117	117	117
Ritpon	+	117	-	117	117	117
SEP Indl	+	117	-	117	117	117
SKF Skf	+	117	-	117	117	117
Senior	+	117	-	117	117	117
Serta	+	117	-	117	117	117
Searle	+	117	-	117	117	117
SGL Group	+	117	-	117	117	117
Sparks-Sams	+	117	-	117	117	117
Starting Mats	+	117	-	117	117	117
Stevens-Pick	+	117	-	117	117	117
Sylone	+	117	-	117	117	117
TJ Green	+	117	-	117	117	117
TT Grove	+	117	-	117	117	117
Turley Cascade	+	117	-	117	117	117
Turner Inds	+	117	-	117	117	117
VES	+	117	-	117	117	117
Wescon Inst	+	117	-	117	117	117
Wicks	+	117	-	117	117	117
Widmer	+	117	-	117	117	117
Winnipeg	+	117	-	117	117	117
Woolley	+	117	-	117	117	117
Wright Inds	+	117	-	117	117	117
Wyatt	+	117	-	117	117	117

NOTE 6 & 1 ENTRIES - Cont.

NOTES & LEISURE		Notes	Price	+ or -
For Expeditor see Ticketing Gp				
Fairfax Books	2765			
Farlington	52			
Fast Leisure	346			
Foris	121			
Friendly Hotels	173			
Garnetts	392			
7-11 Co Pl	161.1			
Hartley Lakes	1			
H-M-Tec Sports	82			
HAC Books	82			
Joyce Home	56			
Kurkut	52			
LaFarge Co Pl	97			
Lodbooks	102			
Magnolia	88			
Miles Ltd.	277			
Mandarin Orient S.	75			
Millwall	72			
Omega Ward	228			
Sh 8-9 Co Pl	226			
Pallion	122			
Pearl Lanes	121			
Quinton	17			
Quorn Hotel	81			
Tony Co Pl	173.1			
Tropicana Co Pl	36			
Turner's Pk	196.5			
Bach Org.	680			
Reed Org.	121			
Regal Hotel	14			
Resort Hotels	91			
Ryan Hotels K.	172.2			
Savoy A.	718			
Stacey Kids	28			
Stadey	48			
Stanley Lakes	105			
Steakhunt	52			
Surrey	24			
Tunbridge	225			
Town End	222			
Ticketing Gp	14			
Tottenham Lake	12			
Tottenham	112			
Ward	80			
Werley	52			
Westbury	12			
Whitneys	162			
Whitwicks	162			
Winton	17			

INVESTMENT TRUST

INSURANCE BROKERS

Old Friendly 8-1100 803 50

	Notes	Price	> or -1	19 high
Authorised by the Island Revenue				
Scotfort's Silver	□	103	+1	146
Warrant	□	87	-1	104
Scotfort Sol Inv Inc	X	94	-1	104
Cap	□	124	-1	141
Units	□	216	-1	245
Invest West Devon	□	128	-1	152
Kentlands	□	98	-1	115
3 Warrants	□	57	-1	76
Invest New Euro Inv	□	58	-1	76
Contracts	□	142	-1	181
Invest New Tech	□	157	-1	188
Warrants	□	29	-1	32
Invest Pl Inc	■	67	-1	105
Invest Dev Inv	□	142	-1	144
Invest Scotland	□	28	-1	24
Units	□	94	-1	117
Energy	□	116	-1	129
Science Tel	□	1051	-1	1500
American Tel	□	242	-1	256
Mobile Smar	□	245	-1	251
Peripherals	□	83	-1	103
Invest 5.0 Years	□	251	-1	32
Investee Inc	□	225	-1	225
Units	□	280	-1	326
V Coop	□	122	-1	181
Int'l Ind 95-0	□	157	+1	157
Int'l Inv Inv	□	495	+1	517
Int'l City Shs	□	180	-1	211
Int'l Gk Tech	□	150	-1	171
Perf	□	145	-1	158
Invest Stokon	□	182	-1	198
Invest Tribes	□	205	-1	229
Invest Sharpson	□	140	-1	172
Global Inv	□	119	-1	123
Warrants	□	48	-1	47
Units	□	180	-1	181
Invest Inv Tel	□	821	+1	851
Contracts	□	29	+1	51
Int'l Assets	□	1000	-1	1064
Int'l Ind 2005	□	157	-1	165
Empire	□	63	-1	84
Warrants	□	16	-1	17
Int'l Inv	□	162	-1	173

3 21.3
3 19.2
? -

HEALTH & HOUSEHOLD						
	Notes	Price	+ or -	1992/93	low	high
17.9	A&H	\$10	-	\$66	\$60	\$624
	Aspirin	\$10	-	\$66	\$60	\$624
35.9	Aspirin Headache	\$27	-	\$135	\$113	\$168
35.9	Aspirin Headache	\$100	-	\$100	\$100	\$100
12.2	Aspirin 650 mg	\$57.7	-	\$270	\$172	\$368
10.1	Bandaids 100	\$2.4	-	\$24	\$17.6	\$32
38.8	Bandaids 100	\$2.4	-	\$24	\$17.6	\$32
38.8	Bandaids 100	\$2.4	-	\$24	\$17.6	\$32

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Current Unit Trust prices are available from FT Cityline. For further details call (071) 873 4378.

AUTHORISED UNIT TRUSTS

Jeff Corp. Mid Offer + or Yield
Chgs Price Price Price %

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CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Sterling and lira fall sharply

Both sterling and the Italian lira – came under intense selling pressure yesterday as the D-Mark consolidated the strong position it has established against European currencies in recent days, writes James Blitz.

The pound fell four pence in European trading yesterday, to a new historic low against the D-Mark of DM2.3125. The pound later closed in London at DM2.3275, a new record closing low, and a level some 2½% lower than its previous close.

Sterling also fell to a new historic low of 76.0 against the Bank of England's Exchange Rate Index, a level that was a full percentage point down on the day. This effectively means that the pound is now worth 76 per cent of what it was in 1985.

If anything, the lira was even more depressed against the D-Mark, falling as low as Ls86.00, before closing at Ls85.00, some Ls8 down on the day. A particular sign of weakness was that both sterling and the lira weakened against the D-Mark despite the dollar's stronger performance against the German currency. The dollar closed at DM1.6195, up more than ½ a pfennig on the day.

Undermining both the European currencies was the ever-

present concern that Germany is lowering interest rates too slowly.

Fears that the Bundesbank will keep rates high were underlined by the release of inflation figures for some German states, which were poorer than the market had expected. In North Rhine Westphalia, for example, the cost of living rose 0.4 per cent in the month to mid-February.

The lira's problems were exacerbated by the political difficulties of Mr Giuliano Amato's government. One London-based market practitioner said that the flight out of lire by native Italians was very great; he had anecdotal evidence that Italians were carrying lire in suitcases over the border to Switzerland, and buying Swiss francs.

The pressure on sterling, if a little less picturesque, was still a cause of concern. One London-based dealer said it was always worrying when, as happened, that both sterling and the lira weakened against the D-Mark despite the dollar's stronger performance against the German currency. The dollar closed at DM1.6195, up more than ½ a pfennig on the day.

Undermining both the European currencies was the ever-

present concern that Germany is lowering interest rates too slowly.

One dealer claimed to have seen substantial selling of the pound by US fund managers. Another claimed that the currency was coming under strong pressure in the Far East. The general consensus was that nobody was buying the UK's currency. Mr Mark Austin of Midland Global Markets saw no reason why the pound should not fall below DM2.30 in the near term.

The pressures on the lira and sterling were partially felt by the peseta inside the Exchange Rate Mechanism. But the Governor of the Bank of Spain said the peseta could be defended by a tax on the movement of entirely speculative short-term capital – and this helped the peseta up to a close of Pt47.94 against the D-Mark from a previous Pt47.88.

EMS EUROPEAN CURRENCY UNIT RATES

Feb 24	Latest	Previous Close
1.0454 - 1.0455	1.0452 - 1.0455	1.0452 - 1.0455
0.62 - 0.616	0.62 - 0.616	0.62 - 0.616
1.00 - 1.00	1.00 - 1.00	1.00 - 1.00
12 months ...	2.95 - 2.95	2.95 - 2.95

Forward premiums and discounts apply to the US dollar

STERLING INDEX

Feb 24	Day's spread	Clos	One month	% p.a.	Three months	% p.a.
8.30 ...	76.4	77.0				
9.0 ...	76.5	77.0				
10.0 ...	76.5	77.0				
11.0 ...	76.5	77.0				
12.0 ...	76.5	77.0				
13.0 ...	76.5	77.0				
14.0 ...	76.5	77.0				
15.0 ...	76.5	77.0				
16.0 ...	76.5	77.0				
17.0 ...	76.5	77.0				
18.0 ...	76.5	77.0				
19.0 ...	76.5	77.0				
20.0 ...	76.5	77.0				
21.0 ...	76.5	77.0				
22.0 ...	76.5	77.0				
23.0 ...	76.5	77.0				
24.0 ...	76.5	77.0				
25.0 ...	76.5	77.0				
26.0 ...	76.5	77.0				
27.0 ...	76.5	77.0				
28.0 ...	76.5	77.0				
29.0 ...	76.5	77.0				
30.0 ...	76.5	77.0				
31.0 ...	76.5	77.0				
32.0 ...	76.5	77.0				
33.0 ...	76.5	77.0				
34.0 ...	76.5	77.0				
35.0 ...	76.5	77.0				
36.0 ...	76.5	77.0				
37.0 ...	76.5	77.0				
38.0 ...	76.5	77.0				
39.0 ...	76.5	77.0				
40.0 ...	76.5	77.0				
41.0 ...	76.5	77.0				
42.0 ...	76.5	77.0				
43.0 ...	76.5	77.0				
44.0 ...	76.5	77.0				
45.0 ...	76.5	77.0				
46.0 ...	76.5	77.0				
47.0 ...	76.5	77.0				
48.0 ...	76.5	77.0				
49.0 ...	76.5	77.0				
50.0 ...	76.5	77.0				
51.0 ...	76.5	77.0				
52.0 ...	76.5	77.0				
53.0 ...	76.5	77.0				
54.0 ...	76.5	77.0				
55.0 ...	76.5	77.0				
56.0 ...	76.5	77.0				
57.0 ...	76.5	77.0				
58.0 ...	76.5	77.0				
59.0 ...	76.5	77.0				
60.0 ...	76.5	77.0				
61.0 ...	76.5	77.0				
62.0 ...	76.5	77.0				
63.0 ...	76.5	77.0				
64.0 ...	76.5	77.0				
65.0 ...	76.5	77.0				
66.0 ...	76.5	77.0				
67.0 ...	76.5	77.0				
68.0 ...	76.5	77.0				
69.0 ...	76.5	77.0				
70.0 ...	76.5	77.0				
71.0 ...	76.5	77.0				
72.0 ...	76.5	77.0				
73.0 ...	76.5	77.0				
74.0 ...	76.5	77.0				
75.0 ...	76.5	77.0				
76.0 ...	76.5	77.0				
77.0 ...	76.5	77.0				
78.0 ...	76.5	77.0				
79.0 ...	76.5	77.0				
80.0 ...	76.5	77.0				
81.0 ...	76.5	77.0				
82.0 ...	76.5	77.0				
83.0 ...	76.5	77.0				
84.0 ...	76.5	77.0				
85.0 ...	76.5	77.0				
86.0 ...	76.5	77.0				
87.0 ...	76.5	77.0				
88.0 ...	76.5	77.0				
89.0 ...	76.5	77.0				
90.0 ...	76.5	77.0				
91.0 ...	76.5	77.0				
92.0 ...	76.5	77.0				
93.0 ...	76.5	77.0				
94.0 ...	76.5	77.0				
95.0 ...	76.5	77.0				
96.0 ...	76.5	77.0				
97.0 ...	76.5	77.0				
98.0 ...	76.5	77.0				
99.0 ...	76.5	77.0				
100.0 ...	76.5	77.0				
101.0 ...	76.5	77.0				
102.0 ...	76.5	77.0				
103.0 ...	76.5	77.0				
104.0 ...	76.5	77.0				
105.0 ...	76.5	77.0				
106.0 ...	76.5	77.0				
107.0 ...	76.5	77.0				
108.0 ...	76.5	77.0				
109.0 ...	76.5	77.0				
110.0 ...	76.5	77.0				
111.0 ...	76.5	77.0				
112.0 ...	76.5	77.0				
113.0 ...	76.5	77.0				
114.0 ...	76.5	77.0				
115.0 ...	76.5	77.0				
116.0 ...	76.5	77.0				
117.0 ...	76.5	77.0				
118.0 ...	76.5	77.0				
119.0 ...	76.5	77.0				
120.0 ...	76.5	77.0				
121.0 ...	76.5	77.0				
122.0 ...	76.5	77.0				
123.0 ...	76.5	77.0</				

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Samsung Laser Disc Player

Dual 1 Bit A/D
Oversampling
Digital Filter

 SAMSUNG

AMERICA

Durable goods decline ignored as Dow rises

Wall Street

A mid-morning round of programme buying helped to push equity prices broadly higher yesterday morning, writes *Terry Zayor* in New York.

At 1pm, the Dow Jones Industrial Average was up 14.59 at 3,378.86. The more broadly based Standard & Poor's 500 gained 0.1 to 437.81, while the Amex composite was 1.73 higher at 401.69, and the Nasdaq composite climbed 6.70 to 681.10. Volume on the NYSE was 16m shares by 1pm, and rises outnumbered declines by 968 to 908.

The market dismissed reports of a 1.7 per cent decline in January's durable goods orders, which cast some doubts about the strength of the economy although the drop was less than expected.

Philip Morris was the most active big board stock, rising \$1.14 to \$64.24, reversing its recent losses, while RJR Nabisco firms \$1.4 to \$8. Both stocks have been hit in recent days by worries that the Clinton administration will levy an excise tax on cigarettes.

Among other blue chip issues, IBM rose \$1.4 to \$51.44 after the group said that it was cutting 500 jobs at its headquarters.

Optimism underlies the cautious mood in Cyprus

Firm foundations are being laid, says Kerin Hope

ATEN-MONTH decline in Cyprus' over-the-counter stock market has been attributed by brokers to the island's prolonged presidential election campaign. Yet even after last week's narrow victory for Mr Glafcos Clerides, Greek Cypriot investors show no inclination to celebrate.

The Cisco weekly all-share index closed at 245.8, down by 0.8 per cent, although average daily volume did increase to C£90,000 (£126,000) for the week. Since the start of the year, the index has declined by 4.4 per cent, with daily volume averaging C£70,000.

Nevertheless, optimism underlies the cautious mood. Mr Clerides was backed by the Greek Cypriot business community which expects the unofficial stock market to have a more solid foundation soon.

A draft stock exchange law, passed back and forth between parliament and the finance ministry for the last three years, should be approved next month. And an overhaul of company law, also under way, could lead to incentives for more family-controlled Cypriot companies to go public.

The market is currently supervised by the Cyprus Chamber of Commerce which is encouraging brokers to abandon telephone trading by providing a purpose-built floor for public trading sessions. More than 70 per cent of transactions now take place on the floor, watched by an enthusiastic crowd of small investors.

While the market has expanded substantially, with trading volume rising by 17 per cent to an estimated C£35m in 1992, local brokers say that the absence of a regulatory framework is hindering growth.

Chrysler climbed \$1.4 to \$37.44 after saying that it will announce plans to increase production of natural gas-powered vehicles, which went into production last March.

Ford was \$1 higher at \$45.44 after reporting a 4.9 per cent rise in mid-February US car sales. General Motors improved \$1.1 to \$37.74 although data for the same period showed a decline in US car sales of 6.5 per cent to \$8.903.

Drug company stocks continued to dominate trading. Merck rose \$1.4 to \$38.14, Bristol-Myers \$1.4 to \$38.14.

MEXICAN stocks weakened early in the day, but by the end of the session had recovered. The IPC index dipped 14.43 to 1,922.33 in thin trading, taking its fall on the year so far to more than 13.5 per cent.

Tony Myers Squibb was \$1 higher at \$37.74. Johnson & Johnson added \$2.2 to \$42.54. Glaxo Holdings ADRs rose \$1.4 to \$18.74 and Abbott Laboratories improved \$1.4 to \$25.4.

In the Nasdaq market, a revival in biotechnology stocks contributed to a morning rise in the composite index. The firm tone of the market came in spite of a sharp drop in Dell Computer shares which tumbled \$5.4 to \$31 in active trading after 240.

Northern Telecom was up C\$0.56 to C\$6.56 in turnover of 177,700 shares.

TORONTO stocks were steady in subdued midday dealings in spite of the resignation of the Canadian prime minister, Mr Brian Mulroney, as leader of the Conservative Party. Mr Mulroney said that he will continue as prime minister until a successor is picked.

The TSE-300 Index was 4.43 higher at 3,457.10 by midsession in spite of a sharp drop in Dell Computer shares which tumbled \$5.4 to \$31 in active trading after 240.

Northern Telecom was up C\$0.56 to C\$6.56 in turnover of 177,700 shares.

Mr Louis Clappas, chairman of Clappas Investments, says: "Foreign investors show more and more interest in Cyprus, but fund managers abroad are wary because we don't have the proper legal backing, and

we are not yet fully recognised as a member of the European market."

The two banks, which accounted for around 70 per cent of total transactions on the Cyprus market last year, helped to make up for weakness in other sectors.

In spite of a booming economy, with GDP growth estimated at close to 9 per cent last year, the stock market showed an overall decline in 1992. Political uncertainty, caused by the collapse of talks between the Greek and Turkish Cypriot leaders on reunifying Cyprus, followed by the closely-fought presidential election campaign, drove the market down.

The Cisco all-share index fell by 8.1 per cent, led by tourism and transport stocks where the sectoral index plunged by 26.3 per cent. A sharp fall in 1991 earnings, resulting from holiday cancellations during the Gulf war, sent hotel stocks sharply down.

However, foreign investors now account for about 5 per cent of the market's total capitalisation of C£571m. The central bank, which allows foreigners to invest on a case-by-case basis, claims that it has speeded up procedures for approving share transfers. "All it takes is a single phone call," says one official.

Foreigners are mainly attracted by the island's two leading banks, Bank of Cyprus and Popular Bank of Cyprus, which are now stepping up their operations abroad.

Mr Socrates Solomides, manager of Cyprus Investment and Securities Corporation, says: "It will take a while for the market to come back. But there are some good signs: for example, liquidity last year was just as high as in the record year of 1990."

The Bank of Cyprus, which used to focus on the expatriate Greek Cypriot community, is broadening its customer base in Britain and Australia.

Popular Bank, in which the Hongkong and Shanghai Bank has an equity stake, last year

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS	TUESDAY FEBRUARY 23 1993					MONDAY FEBRUARY 22 1993					DOLLAR INDEX				
	US Dollar Index	Day's Change %	Pound Sterling Index	Yen Index	DM Currency Index	Local Currency Index	% chg on day	Gross Div. Yield	US Dollar Index	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	1992/93 Index	1992/93 ago (approx)
Australia (189)	131.18	+1.3	133.30	86.73	109.97	125.53	+0.3	3.92	129.48	131.91	95.21	100.61	124.98	163.86	108.18
Austria (18)	147.93	+0.3	150.32	108.06	124.01	125.55	-0.4	1.80	147.53	150.33	124.91	123.09	148.70	181.66	106.43
Belgium (42)	145.33	+1.0	145.85	105.68	120.18	110.05	+0.2	5.12	141.88	144.57	104.34	120.12	147.74	152.27	131.19
Canada (115)	119.76	+0.5	120.71	88.30	100.39	103.44	+0.3	3.03	119.11	121.37	87.80	100.84	108.85	142.12	111.36
Denmark (33)	120.45	+0.1	120.74	105.74	107.74	107.85	+0.2	1.20	120.74	121.18	105.84	107.45	120.27	128.10	124.36
Finland (2)	70.02	+0.0	71.15	51.84	51.84	51.84	+0.1	0.20	71.49	71.49	51.84	51.84	70.50	72.54	51.84
France (93)	157.81	+0.1	160.28	116.36	132.29	135.53	-0.5	3.11	157.26	160.28	115.87	133.16	136.31	168.75	135.71
Germany (62)	115.26	-0.1	115.52	94.94	94.94	94.94	-0.1	2.40	115.26	115.47	93.36	95.94	95.94	129.95	101.59
Hong Kong (55)	247.01	-1.5	251.00	162.13	207.09	245.15	-1.5	3.85	250.89	255.41	214.35	212.23	245.77	262.28	178.36
Ireland (18)	157.44	+0.1	158.00	103.00	120.25	120.25	+0.1	1.80	154.53	158.53	102.89	102.89	154.53	162.70	107.43
Italy (26)	66.18	+0.5	66.14	43.84	49.51	51.91	+0.5	2.98	66.31	66.31	40.03	43.84	49.57	52.88	75.39
Japan (472)	110.14	-0.1	110.52	91.22	94.34	81.21	-0.2	1.02	110.60	112.70	81.34	83.65	81.31	104.95	67.57
Malaysia (60)	271.45	-0.1	275.97	200.17	227.59	274.62	-0.2	2.44	271.77	276.29	199.85	230.05	276.02	282.42	214.22
Mexico (19)	128.15	+0.4	129.05	102.15	124.70	120.74	+0.4	1.20	128.15	129.37	103.77	129.12	120.82	178.77	118.54
New Zealand (22)	145.53	+3.0	145.53	111.00	118.40	124.10	+1.5	4.76	145.53	146.28	105.57	121.53	145.53	164.77	124.55
New Zealand (15)	45.53	+3.0	43.58	33.17	45.98	45.98	+1.5	4.76	44.18	45.03	32.50	37.41	45.26	48.92	37.39
Norway (22)	141.51	-1.2	144.12	104.58	118.90	133.28	-1.5	1.92	145.54	146.28	105.57	121.53	145.53	162.05	124.55
Singapore (38)	223.03	+0.8	228.62	164.45	188.97	188.71	+0.8	1.95	221.19	225.58	187.28	187.28	229.53	179.65	218.07
South Africa (62)	157.33	-1.0	159.03	123.00	140.25	140.40	-1.0	3.02	158.02	172.22	124.30	143.10	167.23	186.90	122.22
Spain (47)	116.55	+0.5	116.55	90.72	104.95	104.95	+0.5	2.23	116.55	116.55	90.72	90.72	116.55	124.30	90.72
Sweden (36)	160.17	-2.0	162.75	118.11	134.28	132.22	-0.8	2.23	163.41	166.61	120.19	130.30	165.73	200.26	149.69
Switzerland (65)	111.87	-0.3	113.17	92.12	103.47	102.42	-0.7	2.08	112.05	114.15	92.40	94.86	104.19	122.37	95.99
United Kingdom (226)	168.08	-0.4	168.76	122.45	139.22	165.70	-0.7	4.37	167.77	169.93	122.64	141.18	168.91	200.07	161.88
USA (622)	177.41	-0.1													